In control or out of control?

A discourse analysis of managers' talk during early integration

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### Abstract

Post-acquisition integration of two different companies and business cultures is generally considered critical for the acquisition process. Early integration is seen as the most challenging and even messy phase of this process. The purpose of this thesis is to examine early integration with a particular focus on control. More specifically, I pose the research question of how acquirer and target managers socially construct early integration and control during this phase. The study acknowledges that organisations are characterised by multiplicity rather than uniformity. Therefore, the focus is on the various experiences and interpretations of both the acquirer and target managers.

This thesis builds on a discourse analysis of interview texts compiled in 13 interviews with acquirer and target managers. The interviews were carried out during early integration and later stages of the integration of a cross-border acquisition. The thesis argues that early integration events and actions can be socially constructed from several perspectives using six interpretive repertoires (control, autonomy, cultural, expectation, survival and professional). Instead of one shared reality the repertoires reveal the contrasting realities constructed by the managers. Based on the functions of the repertoires, they form two sets: ‘in-control’ and ‘out-of-control’ repertoires. The in-control repertoires, enabling managers to construct early integration as manageable, dominate managers' accounts. These dominant repertoires are based on the conventional arguments of (integration) management. On the other hand, the alternative out-of-control repertoires allow the construction of messy and disorganised realities, which are beyond managers’ control.

The findings show that early integration realities were concurrently constructed as both ‘in control’ and ‘out of control’. In this study both the acquirer and the target managers employed the repertoires to construct an impression of control. Control was socially constructed in order to maintain a credible stance in interaction and as a response to dealing with the uncertainty associated with early integration. This is argued to reflect the management culture of social obligation to control which surfaces in social interaction. Furthermore, the target managers employed the professional repertoire as their coping framework. In social interaction it enabled them to construct themselves as 'being in control'. Finally, the findings demonstrate that control involved both the acquirer and target managers in keeping early integration under control. Thus, this thesis questions the traditional perception of control as an exclusively acquirer concern and argues that control is socially constructed as a shared effort between the acquirer and target managers.

### Keywords
mergers and acquisitions, post-acquisition integration, early integration, control
Tiivistelmä


Kun tarkastellaan eri repertuaareiden käyttöä ja vaihteluita johtajien selonteoihessa havaitaan, että sekä ostajarytymen että ostetun yrityksen johtajat käyttävät 'in-control' -repertuaareja tavoilla, joilla hallinnan vaikutelma säilyy sosiaalisessa vuorovaikutustilanteessa. Ostetun yrityksen johtajat tukeutuvat usein 'professional'-repertuaariin rakentaessaan kontrollin vaikutelmaa. Tämä tulkitaan ostetun yrityksen johtajien selviytymisstrategiaksi sosiaalisessa kanssakäymisessä muutostilanteen aikana. 'In-control' -repertuaarien vahva rooli johtajien puheessa selitetään tässä tutkimuksessa haastattelutilanteeseen liittyväksi kulttuurisidonnaisiksi sosiaalisiksi velvoitteeksi. Koska löydöksiä osoittavat, että kontrolli rakentuu sosiaalisesti sekä ostajarytymen että ostetun yrityksen johtajien puheessa, tämä viittöskirja haastaa perinteisen käsitteen kontrollista yksinomaan ostajan tehtävänä. Tässä viittöskirjassa alkunointiaan kontrolli nähdään sekä ostajan että ostetun yrityksen johtajien yhteisenä pyrkimyksenä.
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Helsinki, October 24, 2017

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## Contents

List of figures.................................................................................................................................................................... 11  
List of tables...................................................................................................................................................................... 12  
1. Introduction................................................................................................................................................................. 13  
  1.1 Background.......................................................................................................................................................... 13  
  1.2 Research gap ....................................................................................................................................................... 14  
  1.3 Research objectives ......................................................................................................................................... 15  
  1.4 Key concepts of the study ............................................................................................................................. 16  
2. Literature review ...................................................................................................................................................... 19  
  2.1 Research on M&A and post-acquisition integration....................................................................... 19  
    2.1.1 The strategic management perspective .......................................................................................... 20  
    2.1.2 The human perspective ........................................................................................................................ 21  
    2.1.3 The cultural perspective ......................................................................................................................... 24  
    2.1.4 Post-acquisition integration literature beyond traditional considerations ........................... 25  
    2.1.5 The social constructionist perspective on mergers and acquisitions ....................................... 28  
  2.2 Research on organisational control in MNCs ..................................................................................... 33  
    2.2.1 Defining control ......................................................................................................................................... 34  
    2.2.2 A review of research on organisational control in MNCs ................................................................. 35  
    2.2.3 Novel developments in studies of organisational control .............................................................. 41  
  2.3 Research on control in M&As ..................................................................................................................... 43  
  2.4 The proposed conceptual framework: social construction of early integration and control during this phase .............................................................................................................................. 49  
3. Methodology ................................................................................................................................................................ 51  
  3.1 Philosophical background ............................................................................................................................ 51  
  3.2 Discourse analysis ............................................................................................................................................ 52  
    3.2.1 Discourse analytical approaches ........................................................................................................ 52  
    3.2.2 The definition of interpretive repertoire .......................................................................................... 55  
    3.2.3 Interview context ....................................................................................................................................... 56  
    3.2.4 My own role .................................................................................................................................................. 58  
  3.3 The research context and process............................................................................................................ 60  
    3.3.1 Selection of the acquisition case ......................................................................................................... 60  
    3.3.2 The companies making the deal ........................................................................................................ 61  
    3.3.3 Key individuals making the deal ........................................................................................................... 62  
    3.3.4 The special circumstances around the acquisition ........................................................................ 62  
    3.3.5 Accessing the companies and research participants ........................................................................ 63  
    3.3.6 Generating data – the early integration interviews ........................................................................... 64
3.3.7 Generating data - the follow-up interviews ................................................................. 67
3.3.8 Analysing data and crafting repertoires ........................................................................ 69
3.4 Evaluating the discourse analysis ................................................................................ 72
4. Repertoires of early integration and integration ............................................................. 75
  4.1 The managers' repertoires of early integration .......................................................... 75
    4.1.1 The control repertoire ......................................................................................... 77
    4.1.2 The autonomy repertoire .................................................................................. 82
    4.1.3 The cultural repertoire ...................................................................................... 86
    4.1.4 The expectation repertoire ................................................................................. 97
    4.1.5 The survival repertoire ..................................................................................... 107
    4.1.6 The professional repertoire .............................................................................. 112
  4.2 Managers' repertoires in the follow-up interview text ........................................... 115
    4.2.1 The control and autonomy repertoires ............................................................ 116
    4.2.2 The resistance repertoire ................................................................................ 116
    4.2.3 The cultural repertoire .................................................................................... 118
    4.2.4 The expectation repertoire .............................................................................. 119
    4.2.5 The survival repertoire ................................................................................... 120
    4.2.6 The professional repertoire ............................................................................. 122
    4.2.7 The learning repertoire ................................................................................... 123
5. Interplay between the early integration repertoires ..................................................... 127
  5.1 Norwegian acquirer managers rely on the control repertoire .................................... 128
  5.2 The cultural repertoire in the accounts of acquirer managers ..................................... 133
  5.3 The autonomy repertoire in the accounts of the acquirer managers ......................... 134
  5.4 Finnish acquirer managers rely on the professional repertoire ................................ .. 135
  5.5 Target managers' representations of early integration challenges ............................ 137
  5.6 Target managers rely on the professional repertoire ................................................ 139
6. Discussion and conclusions ........................................................................................... 143
  6.1 Theoretical contributions .......................................................................................... 144
    6.1.1 Co-existence of in-control and out-of-control repertoires ............................... 144
    6.1.2 Managers' construction of an impression of control ........................................ 149
    6.1.3 Professional repertoire as a coping framework ............................................. 151
    6.1.4 Control as a shared effort ............................................................................... 154
  6.2 Managerial implications ............................................................................................ 155
  6.3 Paths for further research ........................................................................................ 157
7. References .................................................................................................................... 159
8. Appendices .................................................................................................................... 177
List of figures

Figure 1. Key integration tasks for each integration approach (Haspeslagh & Jemison, 1991, p. 145) 44
Figure 2. Conceptual framework of the study 50
Figure 3. Approaches to discourse analysis (Phillips & Hardy 2002, p. 20) 53
Figure 4. Interview contexts (Siltaoja & Vehkaperä, 2011, p. 223) 58
Figure 5. Formation of the Finnish acquirer organisation 61
Figure 6. Interviewees during early integration 63
Figure 7. The integration process and the timing of the early integration interviews 65
Figure 8. The integration process and the timing of both interview rounds 67
Figure 9. The repertoires of early integration 72
Figure 10. Main findings of the study 143
Figure 11. Interrelatedness of early integration repertoires 145
Figure 12. Dominant and alternative repertoires of early integration 147
Figure 13. Changes in the mix of repertoires 149
Figure 14. An example of an acquirer manager’s account 151
Figure 15. An example of a target manager’s account 152
Figure 16. An example of the construction of resistance in a target manager’s account 153
List of tables

Table 1. Research perspectives on post-acquisition integration and on social constructions of M&As 33
Table 2. Research streams on organisational control (based on Erkkilä & Kähäri, 2010) 36
Table 3. Research streams and conceptualisations of control (Erkkilä & Kähäri, 2010) 40
Table 4. Suggestions for the characteristics of the traditional and alternative views of control 48
Table 5. Early integration interviews 65
Table 6. Follow-up interviews 68
Table 7. Initial themes identified from the empirical material 70
Table 8. The essence of early integration repertoires 76
Table 9. Involvement of managers in the production of themes 77
Table 10. Changes to repertoires identified in interview text 115
Table 11. Essence of the new integration repertoires 116
Table 12. Summary of the findings in Chapter 5 128
1. Introduction

1.1 Background

Post-acquisition integration of two different companies and business cultures, is generally considered the most critical part of the acquisition process (Haseslagh & Jemison, 1991). Post-acquisition integration can itself be divided into phases, of which the start of the integration (here: early integration) is considered the most challenging; it is sometimes even chaotic for the acquirer and target organisations alike. The importance of early integration is recognised in particular in management literature and the consulting sector. It is suggested that organisations experience their greatest receptivity to change immediately after acquisition. Acquirers are generally advised to execute specific changes at this time (Haseslagh & Jemison, 1991; Ashkenas & Francis, 2000; Angwin, 2004) as the people involved expect change to begin once the deal is closed. In this sense reference to the ‘critical 100 days’ is justified.

One of acquirer’s priorities in the integration process is the establishment of control systems and mechanisms in the acquired company. Control is regarded as an essential task for overseeing newly acquired resources and for combining the critical resources of merging companies across borders (Haseslagh & Jemison, 1991; Bijlsma-Frankema, 2004). Most of the existing research has adopted a rational view on control (Calori et al., 1994; Lubatkin et al., 1998; Child et al., 2001; Malhotra & Gaur, 2014; Brannen & Peterson, 2015). This mainstream view is grounded in the assumption that leaders have the ability to make plans and implement them rationally. However, at the same time establishing control after acquisition is frequently found to be challenging or even problematic (Jones, 1986; Haseslagh & Jemison, 1991; Granlund, 2003; Vaara, 2003; Bijlsma-Frankema, 2004; Cardinal et al., 2004; Shimitzu et al., 2004). It has been argued that managers are actually not often ‘in control’ of their change processes (Streatfield, 2001). From this viewpoint approaching the uncertain phase of early integration as a context for control is especially intriguing.

Despite its importance, early integration as a specific phenomenon has received surprisingly little attention in M&A literature. In particular, our understanding of how both the acquirer and the target managers interpret this frequently uncertain period, in which control should be established, remains inadequate. The purpose of this study is to examine the early integration phase of post-acquisition integration, with a focus on control during this phase. Also, the study acknowledges various experiences and multiple realities of integration participants. It will enhance the understanding of M&A integration by approaching the early stages of post-acquisition integration from a social constructionist perspective. The study reveals a set of different interpretive repertoires in the talk of the acquirer and the target managers which are used in order to construct multiple concurrent but contrasting versions of early integration. Moreover, it argues that despite the messiness of early integration the managers generally employ these repertoires to talk control into being.
1.2 Research gap

Issues related to post-acquisition integration and organisational control in MNCs have received a lot of attention in academic literature. However, as mentioned above, there is still relatively little understanding of the early integration phase, the period immediately following an acquisition, during which control is suggested important. In the following, the relevant streams of literature are reviewed in relation to the topic at hand.

The literature on early integration. The entire acquisition process is often represented as a step-by-step logical chain of events (McSweeney & Happonen, 2012). These steps are said to flow through the phases of systematic pre-acquisition search and screening, financial evaluation and negotiations, deal-making and finally integration. Although integration most often is treated as one consistent phase, it can be delineated into phases and can take as long as five to twelve years to complete. In some studies, the start of integration is, however, acknowledged to be particularly ambiguous. Somers and Bird (1990) suggest that from their three stages of integration, the first two, ‘the pre-merger’ and ‘immediate post-merger’ periods, are the most stressful due to the uncertainty involved. Buono and Bowditch (1989) identify an ‘initial combination phase’ and a ‘combination aftermath phase’, which describe integration in terms of conflicts and difficulties experienced by targets in accepting acquirers.

Whereas M&A consultants may suggest that the time immediately after the deal is marked by ‘a burst of energy’, M&A scholars concentrating on human issues view integration as a rather frantic process for managers and employees alike due to the anticipated changes. They acknowledge that there are numerous issues and questions that go through people’s minds in an acquisition period. These include questions about potential termination of employment, potential demotion or promotion, the need to relocate, the fate of benefits, the values of the new organisation, and the kinds of transitions the organisation will undergo (Buono & Bowditch, 1989). Studies made from the human perspective on M&A suggest that integration may involve anxiety, uncertainty and ambiguity, to mention only a few of reactions on the part of those involved (e.g. Schweiger & Ivancevich, 1985; Schweiger et al. 1987; Cartwright & Cooper, 1990, 1993; Marks & Mirvis, 1997; Sinkovic et al., 2011).

All in all, the rather scarce academic discussion on early integration has concentrated on recounting the managerial tasks required to start integration on the one hand and the human resource symptoms on the other. This is surprising, considering for instance how M&A literature (e.g. Haspeslagh & Jemison, 1991) addresses ‘the critical 100 days’ and the necessity of executing changes and establishing control after the acquisition deal. Based on the studies, which describe unwanted reactions to acquisitions, it appears that early integration as a whole warrants a closer look.

The literature on organisational control in MNCs. The mainstream of studies on organisational control in MNCs has adopted a rational, modernist view of control. This mainstream view is grounded in the assumption that managers and leaders have the ability to make plans rationally and then implement them (Erkkilä & Kähäri, 2010). Control is frequently portrayed as unidirectional, top-down managerial activity that is taken for granted. More recently, some researchers have contended that organisational change processes are less easy to control than much of the previous literature suggests (Vaara, 2003) and that managers are, in fact, more frequently unable to control their change processes. Hence some studies have opted to reject the rational view of control and recognise the
complex and rather uncontrollable reality of organisational change situations (see e.g. Salancik & Meindl, 1984; Streatfield, 2001). These perspectives acknowledge that the existence of powerful environmental and nonlinear forces affect the functions of an organisation in ways that are often unpredictable and uncontrollable (Finkelstein, 2002). Abandoning the traditional view of control, we might ask whether managers are in fact ‘in control’ of their organisations (Streatfield, 2001). According to such a view, the concept of control is perceived to be more abstract than a tool or set of mechanisms. Control can be seen as a social construction or even an illusion (Barker, 1998). It is suggested that these more novel perspectives on control could be leveraged to studies of M&As.

The literature on organisational control in M&As. In integration management literature, control in M&A processes is said to be a factor contributing to success. For the acquirer, control issues are thus central in post-acquisition integration (Kitching, 1967; Shrivastava, 1986; Buono & Bowditch, 1989; Olie, 1994; Bijlsma-Frankema, 2004). Traditionally, M&A integration and control are approached as planned and calculated acts. Establishing control in the acquired organisation in this context is frequently considered to involve an array of control mechanisms from which leaders can select a suitable mix. From the integration management viewpoint the acquirer establishes control and the target is a bystander. Whereas some M&A control studies have concentrated on investigating the optimal balance between formal and informal control mechanisms quantitatively (Calori et al., 1994; Lubatkin et al., 1998), one line of M&A control research has concentrated on commitment-oriented, trust-based rationality (Larsson & Lubatkin, 2001; Bijlsma-Frankema, 2004; Christ, Sedatole, Towry & Thomas, 2006; Puranam, Singh & Zollo, 2006). Consequently, the management of an acquisition is suggested to be more of a balancing act (Bijlsma-Frankema, 2004) between the need to control all resources and the need to commit, coordinate and manage human resources. Also, Buono & Bowditch (1989) have questioned the view of management as a controlling act. They contend there is simply too much beyond the managers’ scope of control. Their study of the dynamics of mergers and acquisitions suggests that it is in fact impossible to prevent the emergence of people’s fears, uncertainties, stresses and tensions from emerging and to stop them from disrupting organisational processes. This perspective is acknowledged in this study.

While important contributions have been made in the above lines of research to the understanding of M&A integration and control in M&As, previous work has tended to approach integration and control in M&A processes from the acquirer perspective and from the viewpoint of integration as rationally planned acts. Further, integration has been treated as a long, consistent phase. This thesis advances research on post-acquisition integration by addressing specifically the early stages of integration and by acknowledging both the acquirer and target viewpoints. This social constructionist study adds to our understanding of different participants’ interpretations of M&A processes in early integration, which appears to be a particularly important phase for all parties involved.

1.3 Research objectives

Against the background, the objective of this doctoral thesis is to examine the early integration phase of post-acquisition integration, with a focus on control during this phase. To complement earlier studies of M&A integration and control, this study views acquisitions as "ambiguous social realities" (e.g. Risberg, 1999; 2003a). This essentially means
acknowledging that organisations are characterised by multiplicity rather than uniformity during and after an acquisition. Further, the focus is on the various experiences and interpretations of organisation members. Consequently, the main research question is formulated as follows:

*How do acquirer and target managers socially construct early integration and control during this phase?*

The study addresses early integration as a socially constructed phenomenon and is designed to give voice not only to the acquirer company managers, i.e. ‘the controllers’, but also to the target company managers, ‘the controlees’ of early integration. Further, it involves managers on different organisational levels in the acquirer and target companies in order to expose meanings that they assign to early integration. The main research question is further divided into two sub-questions, which are formulated as follows:

1. *What interpretive repertoires can be identified from managers’ talk about the early integration and do they change in later integration?*

2. *How do managers use the interpretive repertoires when describing early integration?*

In this thesis, I argue that the socially constructed realities portray early integration as a phase in which perceptions of being both ‘in control’ and ‘out of control’ co-exist. I further argue that ‘being in control’ during early integration is fundamentally important both for the acquirer and target managers and that these groups share a propensity to socially construct an impression of control. In this regard, this study presents early integration control as a shared effort between the acquirer and target managers. Thus, the present study contributes to our understanding of socially constructed realities in post-acquisition integration. It offers insight into the multiple realities of different integration participants and aims to locate voices that are normally missed, specifically in the M&A control literature. The analysed interpretive repertoires, are seen as a culturally shared tool kit of resources for people to use for their own purposes (Burr, 2003). These repertoires provide opportunities for different constructions and interpretations of early integration. Through the analysis of the managers’ repertoire use, we can better understand how both the acquirer and target managers are dealing with uncertainty during the messy stages of early integration.

### 1.4 Key concepts of the study

The larger context of this doctoral thesis is the multinational corporation (MNC) and its international environment. Within this context, the thesis builds on several conceptual assumptions about the MNC, the acquisition context and its actors. These are described in the following.

**Mergers and Acquisitions** (M&A) has developed into a generally used dual concept. **Mergers** refer to companies coming together to combine and share resources to achieve common objectives (Sudarsanam, 1995). **Acquisitions** entail the purchase of a controlling interest, assets or shares in a particular firm. In an acquisition, the target company may become a subsidiary of the acquiring firm. A cross-border acquisition (also called a
transnational or international acquisition) is an acquisition made by a company in a foreign
country.

The definition of post-acquisition integration and its duration are important issues on
which this study needs to take a stand in is of. Pablo (1994) defines integration as "the making
of changes in the functional activity arrangements, organisational structures and systems, and
cultures of combining organisations to facilitate their consolidation into a functioning whole".
Pablo's (1994) definition refers to a rather long period of time, as it explicitly includes changes
in culture. In this study, post-acquisition integration is seen as an open process and defined
to last from the closing of the acquisition deal to a point in time when all integrative processes
have reached an end as specified in the integration strategy or plans. In smaller acquisitions
this can be reached in a year, whereas in larger scale acquisitions integration can take five
years or more.

This study refers to early integration as the starting phase of an acquisition. Somers and Bird
(1990) call the early days of integration 'the immediate post-merger period'. When referring
to the durance, 100 days is one normative notion, especially among consultants and in
management literature, to emphasise speed for executing change. This study establishes the
term 'early integration' to address the first six months of post-acquisition integration.

This study discusses the talk of managers. 'Managers' in this study refers broadly to
management and addresses senior, middle and lower level managers. In the empirical part of
the study, a division between acquirer and target managers is introduced. Acquired company
is referred to as 'target' to make the distinction between 'the acquirer' and 'the acquired' more
clear in the text.

This study also deals with the concept of control in integration. The concepts of coordination
and control are central to the organisational literature. Considerable effort has been made to
discuss and define these concepts in previous academic literature. Although there has been
considerable overlap in the use of the concepts, distinct and generally consistent definitions
already exist. In a seminal work by Etzioni (1965), control is defined as "a process which brings
about adherence to a goal or target through the exercise of power or authority". On the other
hand, coordination is seen more as an enabling process linking various task units within an
organisation. An in-depth discussion on the concept of control and its development over time
is provided in the Literature review chapter. The above definition is, however, only a starting
point for this thesis, which presents control as a social construction.


2. Literature review

In this section, I shall first review literature on post-acquisition integration, second, the literature on organisational control in MNCs and third, studies on control in M&As specifically. The purpose of the discussion is to provide a basis for understanding how integration management and organisational control are currently represented and studied in the academic literature, i.e. the scientific discourse. This literature review broadly addresses the academic streams of literature giving rise to discourses in the field of M&A. These are considered to act as a basis for academic and managerial discussions in the field; they guide our understanding of the topic. Under the section on organisational control, I also discuss the concept of control and the various understandings thereof and in particular review conceptualisations that may prove useful in further study of early integration. I conclude the literature review by combing ideas of early integration, M&A control and the social construction of M&A processes to present a single theoretical framework for the research.

Before reviewing the literature, I revisit the idea of early integration. In academic literature, the acquisition process is often discussed in terms of different phases or stages. There is, however, no single established expression or definition for the starting phase of integration. Somers and Bird (1990) call the early days of integration 'the immediate post-merger period'. Buono and Bowditch (1989) refer to 'the initial combination'. Haspeslagh & Jemison (1991) divide the acquisition process into four major phases: idea, acquisition justification, acquisition integration and results. The first two phases are referred to as the pre-combination stage and the last two as the post-combination stage. The authors identify a special phase at the outset of integration called the stage-setting phase, which begins once the deal has been closed. The phase involves a transition period before the integration begins. This multitude of definitions calls for alignment and a further look into existing literature.

2.1 Research on M&A and post-acquisition integration

Mergers and acquisitions have attracted the interest of academic scholars since the 1960s, whereas discussion of post-acquisition integration and organisational change processes did not start until the middle of the 1980s (Vaara, 1999). This has been called a shift from the earlier strategic fit (i.e. the relatedness of strategies and operations) to softer, organisational fit considerations (e.g. Jemison & Sitkin, 1986; Datta, 1991; Mirvis & Marks, 1992). The work of both Jemison and Sitkin (1986) and Haspeslagh and Jemison (1991) formally introduced the process view of M&As. They linked the formerly disconnected fields of strategic management and organisational behaviour, arguing that M&A is not a sum of its sequential parts, but rather a process, the management of which determines the potential for value creation by the acquisition. In this well-established view the choice of integration strategy and the acquisition process itself play a crucial role. More recently, calls have been made to build even more comprehensive and integrative models for understanding M&A success (e.g. Bauer & Matzler, 2014 on strategic complementarity, cultural fit and, the degree of integration).

In the past, post-acquisition integration has been mainly discussed from the perspectives of strategic management (Hespesslagh & Jemison, 1991; Larsson, 1990; Larsson & Finkelstein,
These perspectives will now be reviewed briefly. I will then discuss studies which go beyond these traditional perspectives. Following a more novel stream, some studies use social constructionist lenses to explore post-acquisition issues.

2.1.1 The strategic management perspective

In the field of M&A, finance scholars have primarily focused on the issue of wealth creating (or reducing) for shareholders through M&As. In an extensive bibliometric study of top journals, Ferreira, Santos, Ribeiro de Almeida and Reis (2014) conclude that most of the extensive M&A research can be placed in the domain of strategic management. The main focus of strategic management research in the M&A field has been on the identification of strategic and process factors that may explain variance in performance between individual acquisitions. The so-called strategic fit literature has been concerned with the link between performance and the strategic attributes of the combining firms, especially the extent to which the target company's business should be related to that of the acquirer (Cartwright & Schoenberg, 2006).

More closely, the strategic perspective has addressed e.g. motives for M&A (Trautwein, 1990) problems in M&A (Kitting, 1967), potential synergistic benefits (Shrivastava, 1986; Larsson & Finkelstein, 1999; Birkinshaw et al., 2000; Barkema and Schijven, 2008a), post-acquisition performance (King, Dalton, Daily & Covin, 2003) and the creation of value (Haskeslagh & Jemison, 1991; Ellis, Reau & Lamont, 2009). Dominant streams of literature in this perspective also follow topics such as acquisitions in business networks (Forsgren, 1989; Anderson et al., 2001; Salmi, Havila & Anderson, 2001; Havila & Salmi, 2002), knowledge management/transfer (Bresman et al. 1999) and learning (Villinger, 1996; Very & Schweiger, 2001; Schweiger & Goulet, 2005; Zollo & Singh, 2004).

Knowledge management in M&A has aroused considerable interest among scholars. As two cultures are combined in mergers and acquisitions, so are two systems of knowledge and insight. It is a central notion in the knowledge management view of M&A that in order to develop and sustain competitive advantages for knowledge-intensive firms, strategic management should enable development and sharing of new knowledge and other resources (Grotenhuis & Weggeman, 2002). In their award-winning study “Knowledge transfer in international acquisitions”, Bresman, Birkinshaw and Nobel (1999) suggest that the transfer of technological know-how is facilitated by communication, visits and meetings and by the time elapsed since acquisition. Empirically, the study focused on successful international acquisitions carried out to achieve reverse knowledge transfers and to build innovation capacity. Such acquisitions triggered a process through which two different social communities (those of the acquirer and the target) grew to become one. Mutual adaptation and soft bundling mechanisms (two-way socialization) prevailed. Importantly, the authors concluded that the knowledge transfer process in acquisitions is distinctly different from the process under other modes of governance. They argued that the immediate post-acquisition period is characterised by imposed one-way transfers of knowledge from the acquirer to the target, but over time more reciprocal knowledge transfers emerge. In the cases studied, the newly established social community supported intra-MNC knowledge flows and thereby the company's innovative capacity as well. (Verbeke, 2010)
Bresman et al. (1999) paved the way for more studies in the knowledge management field. Hebert, Very and Beamish (2005) focus on the use of expatriate managers for transferring experience-based knowledge within the MNC and its impact on the survival of acquired subsidiaries. Lakshman (2011) proposes a knowledge-based theoretical approach to cultural integration in M&As. Sarala and Vaara (2010) argue that both national and organisational cultural differences and cultural integration affect knowledge transfer in acquisitions. Yildiz and Fey (2010) focus on the compatibility of the new knowledge with recipients' needs, interpretations of prior experiences and existing values. The authors argue that if compatibility is lacking and hence the success of the knowledge transfer is jeopardized, organisations should resort to unlearning parts of their cognitive structures, behavioural habits and normative values that are no longer relevant in the new situation.

A concept that is closely linked to and intertwined with knowledge management and transfer in M&As is organisational learning. Early on, Very and Schweiger (2001) introduced a learning perspective on M&As where the acquisition process can be understood both as a learning process applied to the focal deal and as a learning process aimed at improving the acquisition process itself. Also, Barkema and Schiven (2008b) discuss how firms learn to successfully acquire other firms and Zollo and Reuer (2010) investigate the impact of prior alliance experience on the performance implications of acquisitions. Zollo and Singh (2004) focus on variations in the performance of acquirers and examine how learning processes specific to the management of the post-acquisition phase affect it. All in all, knowledge transfer to and from the acquired company has generally proved to be a significant positive determinant of cross-border acquisitions (Ahammad & Glaister, 2011).

2.1.2 The human perspective

Studies adopting a human perspective provide a contrast to the more strategically oriented analyses. The human side of M&A explores the psychological and behavioural effects of M&A. It concentrates mainly on employees' reactions to the changes which follow acquisitions, with a focus on change that can have unfavourable effects at the individual and social level. Common to this line of research is the view that problems related to human side have not received the attention due them and are undermanaged, which impedes organisational integration. The topics generally considered relevant when dealing with the human factor (see Buono & Bowditch, 1989) include resistance to change, uncertainty and employee expectations, commitment, stress, turnover, employee retention and the role of communication in relieving the effects of the acquisition. Most of the relevant research for a study of early integration takes this perspective.

Mirvis and Marks (1992) have proposed analysing the fit of human organisations as a prescription for avoiding major problems and for improving M&A planning and preparation. Napier (1989) suggests that monitoring human resource practices is especially important for M&A deals that are expected to generate change involving deeper integration in one or both companies. Attention in the literature has been directed to the human side including the HR function, planning and training (Aguilera & Dencker, 2004; Björkman & Söderberg, 2006; Lupina-Wegener, 2013; Yalabik, 2013). More psychological issues in this stream include development of trust and mistrust (Nikadrou, Papalexandris & Bourantas, 2000; Searle & Ball, 2004) and those concerning employee or managerial commitment (Raukko, 2009; Bellou, 2007). Several early integration challenges are addressed in this line of research (e.g.
In this stream, researchers have studied issues such as executive retention (Bergh, 2001), the choice of insider or outsider top executives in acquired companies (Angwin & Meadows, 2009) and top management departures and turnover (Hambrick & Cannella, 1993; Lubatkin, Schweiger & Weber, 1999). Schriber (2012) states that although managers and management teams are generally seen as responsible in acquisition (e.g. Vasilaki & O'Regan, 2008), more attention should be given to managerial distress in integration. The author draws attention to the experiences of middle managers in a Nordic acquisition and discusses how the reduced ability of managers to lead integration successfully while suffering from low motivation and productivity contributes to explain the poor performance of M&As. Instead of the traditional conflicting interests between top and middle management in implementing strategic intent, Meyer (2006) focuses on the dynamics of middle management intervention in post-acquisition processes. Meyer suggests a view of middle management intervention where the strategic intent is operationalised in the tension between groups of middle management driven by self-interest. In the case study, the author showed how strategic intent was operationalized in contradictory ways by two middle management groups. Unclear prescriptions for implementation and the absence of top management in the implementation process facilitate destructive intervention.

It is also suggested that the performance of acquisitions is strongly affected by leadership (e.g. Stahl, 2004; Nemanich & Keller, 2006; Waldman & Javidan, 2009). Teerikangas, Very and Pisano (2011) draw attention to the role of integration managers in capturing value and affecting acquisition performance. The authors conclude that the work of the integration manager spans the acquisition process as the important link between the two companies not only in ensuring the acquired company's integration, but also in capturing value throughout the acquisition. Integration managers were, however, found to be biased towards enacting a one-way approach to integration that captures value in the target company instead of respecting and promoting the target company's knowhow and its value in the acquirer company.

The human perspective also encompasses the managerial role in integration. Management of the overall combination or the integration process and specific efforts aimed at post-acquisition integration has received substantial attention in the literature. Generally, it is acknowledged that the organisational integration required to realise the benefits of combination is problematic (e.g. Shrivastava, 1986). The research stream rests on two ideas. First, managers are responsible for driving integration, and considered central in initiating and leading it. The second idea is that although integration is necessary, it has negative effects on employees (Schriber, 2012). The challenges of early integration encountered by employees range from those that are more manageable (e.g. communication) to those less easy to solve (e.g. the merger syndrome). Further, Buono and Bowditch (1989) suggest that many acquisition-related difficulties can simply be self-inclined, internally generated by the acquirers and by the dynamics of the new entity. M&A processes involve a multitude of integration issues and problems which entail a drain on resources and distraction from the performance required to manage the integration. The pervasiveness of human issues is unavoidable and many of these human issues already surface in early integration.
Numerous issues and questions go through people's minds in an acquisition period and become apparent after the acquisition announcement. These include questions about potential termination of employment, potential demotion or promotion, the need to relocate, the fate of benefits, the values of the new organisation, and the kinds of transitions the organisation will undergo, to mention only a few (Buono & Bowditch, 1989). This can result in merger-related stress or anxiety (Schweiger & Ivancevich, 1985; Cartwright & Cooper, 1990; Sinkovic et al., 2011) or the merger syndrome (Marks & Mirvis, 1997). It is suggested that the merger syndrome is triggered by the often unavoidably uncomfortable conditions in the earliest days and months following the acquisition deal and combination. The syndrome involves the stressful reactions of executives and the development of crisis-management orientation (Marks & Mirvis, 1997). If the syndrome is allowed to go unchecked long after the start of integration, it may result in potentially bad performance and poor financial and operational results. The syndrome is brought about by the combination of uncertainty and change, which produce stress. Stress in turn may affect perceptions and judgements, interpersonal relationships and the dynamics of integration itself. Marks and Mirvis (1997) suggest that in companies the syndrome is manifested by increased centralisation and reduced communication that leave people in the dark about integration, thereby fuelling rumour and insecurity. Cartwright and Cooper (1993) contend that post-acquisition issues of mental health show that acquisition is a stressful life event, even when there is a high degree of cultural compatibility between the partnering organisations.

Schweiger, Ivancevich and Power (1987) identify five major employee concerns in M&A processes. These include loss of identity, lack of information and anxiety, survival as an obsession, loss of talent and family repercussions. Some of these already surface during the early days of integration. The authors suggest that behaviours and actions for overcoming problems in integration can be controlled by M&A managers. It is generally understood that the best approach for corporations in dealing with anxiety, uncertainty and stress is to involve all employees in the adopted communication strategy. Schweiger and DeNisi (1991) highlight the role of communication in reducing dysfunctional outcomes. In their study, those employees who received a realistic merger preview and were subject to a realistic communication plan were less negatively affected by the change compared with those employees who received limited information. Marmenout (2011) takes a closer look at the informal communications in integration. She observed an overall detrimental effect in peer interaction (i.e. discussion with colleagues) in a process called ‘collective rumination’. The process is defined as repetitively and passively discussing organisational problems and their negative consequences with a group of peers. To influence the way in which employees react to M&A, managers have called for three powerful levers, namely active involvement, distraction and positive leadership (Marmenout, 2011). From an organisational identification perspective, social interactions are found to influence employees’ identification not only with the acquirer but also with the pre-acquisition unit (Rouzies & Colman, 2012).

In sum, despite the obvious (early) integration concerns addressed among the studies with the human perspective, there has been little interest in exploring early integration from other than acquirer perspective. In addition, many of the challenges are suggested to be within managers’ control. Many findings suggest that open communication and transparent, timely diffusion of information are remedies for overcoming human-related challenges. Descriptions of challenging issues following an acquisition indicate a potential for specifically addressing early integration as a phenomenon.
2.1.3 The cultural perspective

Culture incorporates the way things are done in an organisation. It represents the shared goals, roles, norms and ideologies of a given organisation and its members. It includes a set of important, often unstated assumptions, beliefs and values that guide an organisation's business practices (Buono, Bowditch & Lewis, 1985). It is not only national or organisational cultures that are in play in organisations. Organisational members are also influenced by subcultures within companies that centre around divisions or occupational groups (Elsass & Veiga, 1994). For instance engineers of two companies may have more in common than engineers and sales people in one company.

Along with the rise of more general interest in the study of culture since the early 1980s, researchers have started to examine acquisitions from a cultural perspective, thereby addressing the complex cultural integration processes following acquisitions (e.g. Nahavandi & Malekzadeh, 1988; Olie, 1990, 1994; Chatterjee et al., 1992; Cartwright & Cooper, 1993b; Weber et al., 1996; Morosini, 1998; Larsson & Lubatkin, 2001). This stream has diverse origins in psychology, organisational behaviour and human resource management. It has sought to explain M&A underperformance in terms of the impact that the dysfunctional process of integration and the uncertainties involved can have on individual organisational members. Instead of examining the dynamics of early integration, these studies mainly take a longer perspective on integration.

Post-acquisition integration, particularly in cross-border acquisitions, has proved problematic for most companies (e.g. Shrivastava, 1986; Nahavandi & Malekzadeh, 1988; Olie, 1990; Datta, 1991; Pablo, 1994). Problems have been attributed for instance to the more complicated operations of foreign business systems and to the difficulties encountered in working with people who have been socialised into different cultures (Gertsen & Søderberg, 1999; Very et al., 1997). An extensive stream of studies has emerged with a focus on cultural differences at both organisational (Sales & Mirvis, 1984; Buono & Bowditch, 1989; Datta, 1991; Kleppestø, 1993; Weber, 1996) and national levels (Calori et al., 1994; Olie, 1994; Morosini & Singh, 1994; Very et al., 1996; Gertsen et al., 1998; Morosini et al., 1998; Vaara, 1999; Brock, 2005).

When organisations are combined, potentially already during early integration, cultural differences start to surface, as employees start to make sense of ‘the other’. Addressing the more early days of integration, Marks and Mirvis (2010) develop an understanding of the process in which cultural clash unfolds as companies combine. First, people in organisations perceive differences between the two companies in terms of the style of their leaders and their approaches to decision making. Next, people begin to magnify the observed differences. This is how polarization of distinctions, or ‘we’ versus ‘them’, arise when talking about cultures. Third, people begin stereotyping others. Culture clash culminates in potential disparagement of the partner company.

Acculturation, a concept adopted from the study of anthropology and cross-cultural psychology, has received attention in M&A studies (Nahavandi & Malekzadeh, 1988; Elsass & Veiga, 1994; Very et al., 1996; Larsson & Lubatkin, 2001; Selmer & de Leon, 2002; Yen & Liao, 2003). Acculturation results when contact between two autonomous cultures requires change in one group or both. Marks and Mirvis (2011a) present four prominent levels of acculturation, namely cultural pluralism (the partners coexist), cultural integration (the
companies blend cultures), cultural assimilation (one culture absorb the other) and cultural transformation (a new culture is adopted). It has been found that in M&A one group typically dominates the other and influences the direction of cultural change. The authors also present a framework for human resources in managing culture in M&A. This framework is aligned with the three phases of M&A previously delineated: pre-combination, combination and post-combination. The framework reflects the requirements of effective organisational change management and highlights sequential tasks for harnessing the power of culture to contribute to achieving the united company's objectives while minimising the potential culture clash (Marks & Mirvis, 2011a). This work, as many other in this stream of studies, are based on the need to align culture in integration.

Many M&A studies with a cultural perspective take a long-term view. An important concept in studies of M&A and culture is the development of trust (e.g. Bijlsma-Frankema, 2001). Stahl, Larsson, Kremershof and Sitkin (2011) study the dynamics of trust whereas Stahl, Chua and Pablo (2012) examine how national context affects trust on the part of target employees. Culture and cultural differences have also received considerable attention in attempts to define their impact on value creation and M&A performance (e.g. Chatterjee, Lubatkin, Schweiger & Weber, 1992; Björkman, Stahl & Vaara, 2007; Stahl & Voigt, 2008; Chakrabarti, Gupta-Mukharjee & Jayaraman, 2009; Reus & Lamont, 2009; Dauber, 2012; Vaara, Junni, Sarala, Ernrooth & Koveshnikov, 2014).

The relationships between cultural differences and M&A outcomes have proved to be complex and to vary across industries and outcome measures (Weber, 1996). However, at the same time researchers have established a clearer relationship between actively managing culture and achieving desired M&A outcomes (Schweiger & Goulet, 2005). According to a current understanding, whether cultural differences have a positive or negative impact on M&A performance depends on managing cultural differences through a comprehensive approach (e.g. Weber, Tarbe & Reichel, 2011) that builds cultural understanding and promotes creative synergies (Marks & Mirvis, 2011a).

In sum, M&A studies adopting a cultural perspective mainly take a longer perspective on integration. Studies relevant to early integration issues have mainly covered early cultural clash (Marks & Mirvis, 2010 and 2011a). The assumption that merging cultures need to be homogenised seems to be common to many M&A studies with a cultural perspective. Culture is consequently treated as a control tool for management. Some scholars, however, take a different view of culture in M&A. Angwin & Vaara (2005) call for more studies on cultural connectivity instead of cultural differences in M&A processes. Moore (2013) draws upon the concept of ambivalence as a means for better understanding cultural factors in integration processes. She suggests that the concept of ambivalence improves understanding of conflict and consensus in M&A. Risberg (2003a) suggests that successful acquisitions derive from learning how to deal with multiplicity, variety and ambiguity, rather than from homogenising cultures.

2.1.4 Post-acquisition integration literature beyond traditional considerations

The organisational literature on post-acquisition integration has traditionally concentrated on strategic, human and cultural perspectives. However, some studies have been critical of the mainstreams of research (e.g. Vaara 2003; Risberg 2003a; Angwin & Vaara, 2005). Like the research at hand, these studies, attempt to provide alternative viewpoints on the M&A
phenomenon. The following discussion is presented to bring up the issue of whether M&A processes are in fact linear and controllable, a contention with which many of the studies presented earlier would agree.

An increasing number of studies acknowledge that acquisition processes are ambiguous, as they involve many uncertainties. Uncertainty has been defined as a characteristic of the environment or a psychological state (Bordia et al., 2003), and is commonly acknowledged during organisational change (Schweiger & Ivancevich, 1985; Jemison & Sitkin, 1986; Schweiger et al., 1987; Schweiger & DeNisi, 1991; Teerikangas 2006). In M&A processes uncertainty is often related to change, human resource challenges and communication issues. Uncertainty regarding events and outcomes of organisational change is suggested to lead to the perception that control is lacking.

Applying a process perspective to corporate acquisitions, Jemison and Sitkin (1986) argue that successful acquisitions are not only about choosing the right target but also about the ‘process’, and the way in which it is managed. They suggest that this process perspective could supplement the traditional ‘choice perspective’ by acknowledging the impact of ambiguities. The process perspective recognises that acquisition itself is potentially important in determining activities and outcomes. Jemison and Sitkin (1986) argue that the presence and use of ambiguity during the negotiating phase of an acquisition are purposeful. However, if extended to the integration process, this same ambiguity can be dysfunctional, lead to challenges in control and impede the changes needed for successful integration.

Jemison and Sitkin (1986) argue that both the acquirer and target companies enter the negotiations with certain expectations about the purpose of the acquisition, future performance levels and the timing of particular actions. Due to the great potential for disagreement on these points, ambiguity during negotiation suits both parties well. However, the authors contend that once the integration phase begins, ambiguity may become a major source of difficulty and conflict. If the parties’ interpretations of these points are significantly different, trust may begin to break down; managers may overreact and their reactions may lead to a cycle of escalating conflict. The authors suggest an example, where in order to regain the sense of control the acquirer may impose high performance expectations or milestones on the target. Reactions to such demands may make the target defend its autonomy against the new owner, fuelling the acquirer’s perceived need for increased control and intervention. (Jemison & Sitkin, 1986)

Teerikangas (2006) contributes to research on M&A by developing an integrative framework of the post-acquisition integration dynamics of cross-border acquisitions along the lines of Larsson and Finkelstein (1999). The integrative framework emphasises the importance of jointly considering integration-related strategic, managerial, behavioural, attitudinal, motivational, emotional, cultural, and structural factors to understand the dynamics and outcomes of cross-border acquisitions. In an attempt to understand ‘what takes place in the M&A process’, Teerikangas (2006) introduces the notion of ‘silent forces’ to denote those integration-related factors that rarely reach the cognitive attention span of managers involved in acquisitions. She refers to silent forces as the blind spots in acquirer approaches to M&A. The silent forces typically are behavioural (e.g. attention to integration management and attitudes), human (e.g. employee motivation and emotions) and cultural (e.g. cultural sensitivity and language) issues in M&A activity. She contends that acquirers tend to emphasise the financial, strategic and structural dimensions of cross-border acquisitions to
the detriment of the silent forces therein. Silent forces are defined as factors that escape the attention of managers involved in M&A. It is suggested that failure to recognise these forces has a potential detrimental impact on the progress and successful outcome of cross-border acquisitions.

Teerikangas (2006) concludes that it is the interplay between the more visible strategic, structural and financial dimensions and the less visible behavioural, human and cultural dimensions that explain the difficulty of making cross-border acquisitions succeed. She argues (also Haspeslagh & Jemison, 1991; Larson & Finkelstein, 1999) that the organisation of post-acquisition integration (i.e. integration management) plays a central role in capturing the value sought from M&A. The findings of Teerikangas confirm that the management of post-acquisition integration needs the attention of both the integration managers directly responsible for its success and the attention of all representatives of the acquiring company. The efforts of integration management are, however, of little use unless the attitudes of the integration teams are aligned and supportive of integration. Integration teams must seek to enhance mutual cooperation between the companies (e.g. Olie, 1994), drive the desired change (Napier et al., 1993) and facilitate mutual exchange of know-how (Hасpесlаgh & Jemison, 1991). According to the acquisitions studied, a lack of the right mix of attitudes leads to poorly performing acquisitions, even when the so called fundamentals of integration management are in order. Also, Teerikangas (2006) raises the issue of destructive reactions on the part of not only the acquiring companies but also the target companies. When they go unnoticed, emotional tensions and other destructive reactions during M&As can turn into silent forces that reduce the potential for value-creation.

Ambiguity as a concept is also relevant specifically for the early integration study at hand. Jemison and Sitkin (1986) argue that many of the ambiguities that occur during the acquisition process arise immediately during the negotiations. Vaara (2003) identifies the so-called ‘irrational features’ affecting decision-making in integration. He takes up four aspects of post-acquisition which may prove dysfunctional, namely ambiguity concerning integration issues, cultural confusion in social interaction, organisational hypocrisy in decision making and politisation of integration issues. Tienari and Vaara (2003) discuss the ambiguities related to social and time-related demands that managers and other key people confront in the merger context. Risberg (2003A) argues that ambiguity, multiplicity and variety in merging companies should be embraced rather than silenced. She argues that instead of being an abnormal condition, ambiguities in organisations should be accepted and can work in favour of change. She introduces a ‘multiple realities approach’ to acquisitions sensitive to plurality in studying the accounts of acquisition actors. Ambiguity in M&A is inherent, and several scholars have suggested viewing ambiguity as positive (Risberg, 2003a) and as an opportunity to “allow new understanding to emerge, new forms to be forged and new patterns of relating to be developed” (Moffat & McLean, 2010).

Building on the work of Ocasio (1997) on the attention-based view of the firm, Yu, Engleman and Van de Ven (2005) study managerial attention in-depth in M&A integration. They examine integration during eight years of a large healthcare system formed in a merger. The authors examine the relative amounts of time that senior managers spent discussing various integration topics and issues in their bi-weekly meetings. Taking an attention-based view of the merger and acquisition integration process, the authors could conclude that the dominant topic occupying managers’ attention focused on designing structures and systems instead of patient care. It took much longer than expected for the healthcare system to address the real
purpose of M&A, which was to improve patient care. The authors draw attention to a vicious cycle of financial loss, criticism of management abilities, specialist conflicts followed by another reorganisation, and heightened management suspicions. Due to the vicious cycle of interacting structural and sensemaking effects of attention, managers turned inward and concentrated on matters within their control, internal integration and improving financial performance, focusing far less attention on patient care and integration with the overall system. While the case management team made great progress in integrating the group’s 50 clinics, the team made less progress in patient care initiatives and failed to integrate activities of the units. This finding supports the arguments in studies about absorption by acquisition and integration processes of significant amounts of managerial energy and attention, thereby diverting the company’s attention from its core functions.

Decisions to adopt a corporate language have also received attention in M&A literature. One of the earliest studies is that of Villinger (1996). Piekkari, Vaara, Tienari and Säntti (2005) discuss a top management decision on a common corporate language after an acquisition. They argue that in cross-border M&A, the choice of a common corporate language is a central element in reconstructing a new corporate culture and balancing power between the merging parties. The analysis of a cross-border merger between a Finnish and a Swedish bank shows that the decision to choose Swedish as the ‘senior management language’ had disintegrating effects on the organisation by dividing people into language-based groups fluent in Swedish and those that were not. This emphasised the common division into ‘us’ and ‘them’ that tends to prevail in many mergers and acquisitions. Kroon, Cornelissen and Vaara (2016) take up the role of language in cross-border M&A and explore how the language skills of organisational members, or fluency in the adopted lingua franca, may impact their reactions to a merger. Kroon et al. (2016) find that language fluency influences the ability of individuals to give meaning to their changed circumstances.

To conclude, the studies reviewed above have brought out issues that are less exposed and potentially more interactional in nature to explain the success or failure of integration processes. Compared with mainstream research, these studies regard M&As as more ambiguous and less controllable. Vaara (2003) has argued that studies on organisational integration often provide an overly rationalistic view of the integration process. Critical perspectives and new analysis methods have been suggested to this field for overcoming problems such as the inability to challenge prevailing ideas and practices and to understand the broader social implications of organisational changes and management practices (Vaara, 2000). Angwin and Vaara (2005) argue that the cultural perspective has become an overall explanation, a dominant discourse, for post-merger problems, difficulties and failures. Rejecting the realist view on organisational change, a stream of studies has emerged to address acquisitions and post-acquisition integration from the social constructionist perspective (e.g. Gertsen & Söderberg, 1998; Söderberg et al., 2000; Vaara, 2003; Vaara, Tienari & Säntti, 2005). This lens for M&A studies is discussed next.

**2.1.5 The social constructionist perspective on mergers and acquisitions**

The issue of power is central to the many different critical analyses of M&As and many critical perspectives on management practices or organisational change (see e.g. Alvesson & Willmott, 1997). Language and discourses are not seen as mere transporters of meanings, but as shaping and legitimising meanings and carrying power (Alvesson & Kärreman, 2000a). Also, the authors of discursive analyses of merger situations recognise that culture is
inevitably linked with language and view language as a carrier of social practices (Potter & Wetherell 1987; Eskola & Suoranta 2000). The metaphor of organisation researchers ‘turning’ to language has been popular both with writers who associate themselves with such a turn (e.g. Alvesson & Kärreman, 2000a; Grant, Keenoy & Oswick, 2001; Hardy, 2001) and with those arguing against it (Watson, 2009).

Methods established in other domains of study have been used increasingly by organisational researchers to examine organisations. Data in social constructionist studies are often analysed using discourse analyst approaches (Burr, 2003). A number of studies have looked at how M&A transactions are opposed, justified or legitimised by actors (Floris, Grant & Cutcher, 2013). Critical discourse analysis (CDA) focuses on how social relations, identity, knowledge and power are constructed through written and spoken texts and addresses such persistent questions as relations between class, gender and culture. The clearly political agenda of CDA is what differentiates it from conventional discourse analysis as it focuses on the ways social and political domination is reproduced by text and talk (Fairclough, 1995).

From a methodological point of view, there has been a significant rise in discourse analytic work in the field of M&A. Whereas many discourse studies on M&A have resorted to analysing media texts (e.g. Tienari et al., 2000; Vaara & Tienari, 2002; Tienari et al., 2003; Vaara et al., 2005; Halsall, 2008; Aula & Tienari, 2011; Helgren, Löwstedt & Werr, 2011) there are examples of studies using interview material for discourse construction (e.g. Vaara, 2002; Vaara & Monin, 2010) and naturally-occurring speech (e.g. Rovio-Johansson, 2007).

As an example of the use of interview material, Vaara (2002) analyses interviews of key stakeholders (of upper management) in eight Finnish-Swedish M&As to identify the discursive constructions of success and failure in post-merger integration. The analysis leads to distinguishing four types of discourse used by the narrators in unfolding their experiences of past acquisitions. These discourse types are the rationalistic, cultural, role-bound and individualistic. Vaara (2002) suggests that by making use of discursive strategies, success stories are likely to lead to an excessively optimistic outlook, on management’s ability to control change processes and failure stories to an excessively pessimistic outlook. Therefore Vaara (2002) suggests that we should take seriously the discursive elements that constrain our descriptions and explanations of M&A processes. In a study of media texts, Vaara and Tienari (2002) identify alike four discourse types: rationalistic, cultural, societal and individualistic, of which rationalistic discourses usually dominate discussion in the media. Rationalistic discourses are used to justify deals, and lead to legitimisation and naturalisation of management actions and practices in the long run.

Vaara and Monin (2010) argue that in order to gain a better understanding of post-acquisition organisational dynamics, discursive legitimisation should be conceptualised as an inherent part of unfolding acquisition processes instead of a specific phase. The authors present a model in which discourse can have positive mobilising effects but also severely constrain organisational action. Their analysis provides a new explanation for problems and failures in M&As; promoting unrealistic and illusionary ideas about M&A benefits can prove detrimental to the integration. Leonardi and Jackson (2004) argue that leaders in high-tech organisations in fact resort to stories to justify organisational changes. Rather than taking ownership of certain actions, managers used the story of technological determinism as a discursive practise invoking the inevitability of technology to justify managerial decisions to the public.
Vaara (2000) discussed the ways in which M&As (re)shape power relations within and around organisations and introduced three interrelated levels of analysis: institutional structures (issues such as loss of national control of specific operations and resources), socio-political negotiation processes (e.g. domination of one party over another and political games) and discourse formation (e.g. legitimation and naturalisation of managerial actions that have problematic consequences). Vaara (2000) mentions especially the role of management rhetoric in the discursive construction of M&As. Central to the M&A setting in this perspective are questions such as how merger or acquisition decisions are justified, how managerial actions taken are legitimised, and how M&As are in general normalised and naturalised.

Similarly, Vaara, Tienari and Laurila (2005) examine the discursive legitimation strategies used when making sense of global industrial restructuring in the media through a critical discourse analysis of media coverage of a pulp and paper sector merger. Five legitimation strategies were distinguished: normalisation, authorisation, rationalisation, moralisation and narrativisation. The analysis builds understanding of the significant role of the media in influencing how various stakeholders make sense of and consequently react to such events. Risberg, Tienari & Vaara (2003) argue that popular media can provide a significant arena for (re)constructing national identities and power in industrial restructuring. Risberg et al. (2003) investigate the ways in which symbolic power relations between social actors are discursively produced in a transnational merger and concentrated empirically in a Swedish-Finnish merger. The analysis highlighted complex cultural and political implications and concluded that socio-historical legacies, myths and stereotypes shape the discursive formation of contemporary business tactics (Risberg et al., 2003).

Also based on a Finnish-Swedish merger, Vaara et al. (2003) focus on cultural identity-building in a cross-border merger context. As opposed to the dominant essentialist analyses of cultures and cultural differences, in this study the cultural identity-building process is conceptualised as a metaphoric process. The focus of the analysis is on two processes, namely constructions of images of ‘us’ vs. ‘them’ and construction of images of a ‘common future’. The authors argue that looking at the metaphoric constructions reveals subconscious or unarticulated cognitions and emotions with various power implications. Identity-building was also examined by Vaara (2001) as he studied the socio-political forces at work in the top management level of hierarchies. The analysis illustrates how role-bound behaviour can create contradictory socio-political forces that lead to increasing tension and open conflict. Drori, Wrzesniewski and Ellis (2013) find that boundary negotiation process acts as an engine for identity creation in post-acquisition integration.

Studies of metaphoric constructions have proved fruitful in the field of M&A. Whereas Graebner and Eisenhardt (2004) reframe acquisition as a courtship during the deal making phase of acquisition, the metaphor of M&A as marriage is more well-known (e.g. Norris, 2012). Rottig (2013) builds on the ‘marriage between organisations’ metaphor presenting a model for socio-cultural integration consisting of three interrelated phases: the dating (pre-M&A), mating (closing) and creating (post-M&A) periods. Moffat and McLean (2010) present a case which describes an approach to dealing with cultural differences of a merger between two larger companies with distinctive but very different cultures. Culture in this study is seen as an unfolding, emergent accomplishment over time, instead of the integration of two cultures based on the ‘best of both’ thinking. The authors suggest that the use of metaphorical
representations of legacy cultures in M&As can create a helpful platform for generative dialogue and cultural understanding.

In addition to discursive studies, the M&A field has benefitted from narrative and sensemaking studies. As the mainstream of studies have focused on rationalistic explanations for the difficulties encountered in post-acquisition integration, Vaara (2003) attempts to focus on the ‘irrational features’ of post-acquisition decision-making and how it can hinder organisational integration. Applying a sensemaking perspective, Vaara (2003) uncovers four interrelated tendencies which clarify the reasons for the frequent problem of slow progress during integration, namely inherent ambiguity concerning integration issues; cultural confusion in social interaction and communication; organisational hypocrisy in integration decision-making; and the politicisation of integration issues. As a consequence, the study portrays post-acquisition integration as a process that is less easy to control than much previous literature suggests (Vaara, 2003).

Chreim and Tafaghod (2012) analyse the sensemaking experiences of target company managers. The newcomers engage in sensemaking by comparing their present work situation with their past experience. Findings show that narrowing the managerial role and the resulting reconfigured role identity create tensions originating from managing familiar situations in new frameworks. The relationships with the acquirer managers played a role in either alleviating or amplifying the challenges experienced. Rovio-Johansson (2007) investigates actors’ ways of sensemaking in a management team meeting. By analysing a video and through participant observation she found that managers used tools like rhetorical strategies, frameworks and categories in interactive talk to make sense and reaching mutual understanding of the situation.

Narratives play an important role in organisational sensemaking processes and have also proved useful in studying M&A processes and organisational change. They provide insight into interpretations based on different perspectives, at the same time displaying how central actors in acquirer and target companies can have very different goals and worldviews (Söderberg et al., 2000). Söderberg (2006) introduces narrative interviewing and narrative analysis as qualitative methods for international business studies, providing illustrations from a case study of a cross-border merger. He emphasises the use of stories and narrative interviews in providing useful access, especially to the ‘plurivocal organisational world’. They serve as a gateway to competing understandings of critical events and actions. Vaara and Tienari (2011) identify three antenarratives in a case study, namely globalist, nationalist and regionalist, which were used in intentional organisational storytelling to legitimate or resist change.

Also, Steuer and Wood (2008) highlight the value of studying and seeing acquisitions through the eyes of the key players in a narrative study. However, instead of including heterogeneous organisational members, they concentrate on analysing the discourse practices of three executives during a post-acquisition process. The authors nevertheless provide new understanding of the use of storytelling in framing and reframing executives’ roles and in strategically positioning themselves in the change process. On the other hand, Chreim (2007) uses a narrative approach to analyse the interpretations of organisational identity emerging among members of autonomous groups united in the course of a double acquisition. An analysis of a first set of interviews revealed divergent narratives in two divisions after the acquisition. Actors gave meaning to organisational identity focusing on three set of themes
such as identity enhancement or threat, identity stability or ambiguity, and identity continuity. The differences in interpretations were found to be influenced by the social context (such as the level of communication and control on the part of higher management, the integration and segregation tactics employed and encounters with other groups) and the temporal context suggested by actors as they contrasted the past, present and future identity. By studying two time periods in the acquisition Chreim (2007) is able to contribute to our understanding of the evolution of narrative elements. Identities and organisations are continuously rewritten as members engage in subsequent narrations (Chreim, 2005).

The cross-border acquisition field is also a novel and interesting setting for feminist studies. Tienari et al. (2005) explore discursive constructions of vertical gender inequality. The setting in the gender-egalitarian Nordic countries was especially interesting to the researchers. In their analysis of interviews with male executives and justifications for the present situation, they argue that explanations for the absence of women in the top echelons of the company serve to distance vertical gender inequality. They also conclude that national identities are discursively (re)constructed in this distancing and argue that the multinational organisation intensifies such discursive constructions and that the MNC is a significant contemporary arena for (re)producing particular relations of domination.

The above discussion presented an extensive review research of post-acquisition integration and social constructionist perspective on M&As. I have divided the literature into five research streams that are summarised with key references in Table 1. The first three perspectives have established their position in the field. However, some more novel insights (the last two rows of Table 1) have gained ground more recently. Some of the more recent topics acknowledge the existence of multiple-forces and multiple voices in M&A processes in order to challenge and go beyond the traditional understanding of research with an acquirer perspective.
Table 1. Research perspectives on post-acquisition integration and on social constructions of M&As

<table>
<thead>
<tr>
<th>Research perspective</th>
<th>Key references</th>
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| Strategic management perspective | Shrivastava, 1986  
|                               | Forsgren, 1989  
|                               | Hespleslagh & Jemison, 1991  
|                               | Larsson & Finkelstein, 1999  
|                               | Breiman et al., 1999  
|                               | Very & Schweiger, 2001  
|                               | Schweiger & Goulet, 2005  
|                               | Verbeke, 2010 |
| Human perspective            | Schweiger, Ivancevich & Power, 1987  
|                               | Buono & Bouwhitch, 1989  
|                               | Schweiger & DeNisi, 1991  
|                               | Mirvis & Marks, 1992  
|                               | Harrington & Cannella, 1995  
|                               | Lubatkin, Schweiger & Weber, 1999  
|                               | Teevinkgas, Very & Pisano, 2011  
|                               | Rouizes & Colman, 2012 |
| Cultural perspective         | Nahavandi & Malekzadeh, 1988  
|                               | Olle, 1990, 1994  
|                               | Datta, 1993  
|                               | Chatterjee et al., 1992  
|                               | Cartwright & Cooper, 1993b  
|                               | Elsas & Vega, 1994  
|                               | Pablo, 1994  
|                               | Morosini, 1998  
|                               | Larsson & Lubatkin, 2001  
|                               | Marks and Mirvis, 2010, 2011  
|                               | Moore, 2013  
|                               | Vaara, Junni, Sarala, Ennrooth & Kovesnikov, 2014 |
| Perspectives beyond traditional ones | Risberg, 2003a  
|                               | Vaara, 2003  
|                               | Tienari and Vaara, 2003  
|                               | Veerikangas, 2006  
|                               | Yu, Engelen and Van de Ven, 2005  
|                               | Piekari, Vaara, Tienari & Säntti, 2005  
|                               | Kroon, Cornelissen & Vaara, 2016 |
| Social constructionist perspective | Tienari et al., 2000  
|                               | Vaara, 2002  
|                               | Vaara & Tienari, 2002  
|                               | Tienari et al., 2003  
|                               | Rvio-Johannsson, 2007  
|                               | Vaara & Monin, 2010  
|                               | Moffat & McLean, 2010  
|                               | Chreim & Tafaghod, 2012 |

I will now review literature on organisational control in MNCs and control in M&As.

2.2 Research on organisational control in MNCs

Control and coordination are functions confronted by all organisations. Through control, management generally aims at “regulating the activities within an organisation so that they are in accord with the expectations established in policies, plans and targets” (Child, 1973), in other words, to ensure achievement of organisational goals. Establishing controls and goals after an acquisition during early integration is one of the priorities of the acquirer management. However, control is more than a mere technical matter (Child, 1984) and as an activity, it spans several functions in an organisation.
However, since control is a fuzzy, abstract concept, there is no unifying view of it. Control is traditionally portrayed as a systematic management process, but at the other end, it can be seen as a state of mind: ‘being in control’. This study is built upon the understanding that a main concern during acquisition is to maintain control during the hectic and tension-laden period (Buono & Bowditch, 1989). To begin the review of control literature, I will first revisit control as a concept and then review the literature on organisational control in MNCs and the array of organisational control conceptualisations presented in the literature.

### 2.2.1 Defining control

An array of research approaches to control has appeared alongside a general rise of interest in the subject since the 1980s. Perspectives range from those of sociologists and psychologists to those of administrative theorists (Merchant, 1985). Hence the control literature includes various concepts and definitions.

Definitions of two concepts of coordination and control, both of which are important integrative mechanisms in organisations, are integral elements in MNC and organisation literature. However, control is by no means a straight-forward concept (Jones, 2002). Considerable effort has been invested in discussing and defining the concepts in earlier literature. Although there has been significant overlap in the usage of the concepts, nowadays distinct and generally consistent definitions exist. Whereas control has been defined as a process that brings about adherence to a goal or target through the exercise of power or authority (Etzioni, 1965) in an organisation, coordination is seen more as an enabling process in linking different task units within the organisation horizontally.

Although the definition of control is generally consistent, scholars provide overlapping categorisations. Juxtapositions of control mechanisms vary according to what is controlled (output - behaviour, output - input) and the type of control (ex ante - ex post, personal - impersonal, direct - indirect, formal - informal, bureaucratic - cultural). The early literature categorised the control process into strategic, management and operational levels based on organisational hierarchy (Anthony, 1965). Whereas strategic control deals with direction setting, expression of purpose, long-term survival and also headquarters control over subsidiaries, management control is concerned with effective resource utilisation, competitiveness and other concerns at the intermediate business-unit level. Finally, operational control is primarily concerned with efficiency and is generally based on traditional control models (Veliyath et al., 1997).

We can make a distinction between corporate and organisational control functions. In the field of control, a separation is evident between organisational, accounting, and corporate governance approaches to control. Whereas corporate control is concerned with corporate governance issues and control over the means and methods (e.g. capital) on which the conduct of an organisation depends (Child, 1984), organisational control is a management process that influences the behaviour of people as members of a formal organisation. Organisational control is often understood to be another expression for management control. Still, management control can also refer specifically to the performance measurement systems used by the accounting function in organisations. It is a matter of emphasis whether the focus is on the active party, the controller (management) or - less actively - the object to be controlled (organisation). Since organisational control as a concept does not take a stand
on the activeness of the control function, it also acknowledges the use of more indirect and "uncontrollable" control types, such as informal control.

Control research encompasses many definitions and forms of control, which are discussed here in brief. Formal control mechanisms include elements such as budgets, plans, reports, policies, rules and manuals. Cardinal et al. (2004, p. 414) define formal mechanisms as "officially sanctioned (usually codified) institutional mechanisms" that are visible and objective. Informal control mechanisms refer to more subtle tools such as transfers of managers, career path management, reward systems, management training programmes, informal communication networks, and corporate culture, all of which together can be considered to create a foundation for the socialisation process. Informal control mechanisms can be defined as "unwritten, unofficial values, norms, shared values and beliefs that guide employee actions and behaviours - less objective, uncodified forms of control" (Cardinal et al. (2004, p. 414).

It has been recognised that working groups can influence the behaviour of their individual members. Social control refers to personnel monitoring of others' behaviours and exercising peer pressure (Merchant 1985, p. 40). Social control should not, however, be confused with the concept of socialisation. Edström and Galbraith (1977, p. 251) define socialisation as "functional behaviours, and rules for determining them, [which] were learned and internalized by individuals, thereby obviating the need for procedures, hierarchical communication and surveillance." Whereas organisational socialisation refers to learning as a prerequisite for organisational membership (Selmer & de Leon, 2002), acculturation is generally defined as "changes induced in (two cultural) systems as a result of the diffusion of cultural elements in both directions" (Berry, 1980, in Nahavandi & Malekzadeh, 1988). Larsson (1991) provides a more specific definition of acculturation developed especially for M&A cases, namely "the development of jointly shared meanings fostering cooperation between the joining firms".

On the one hand, organisational controls and processes are important elements of culture. On the other hand, there has been discussion of the ability of managers to control culture (e.g. Marschan et al., 1996; Welch & Welch, 2004). According to Baliga and Jaeger (1984), cultural control comprises a personal type of control and control by socialisation. Personal control refers to a type of direct control, where in the case of an MNC, expatriates, typically from headquarters, are placed in subsidiaries to supervise its operations. Dowling & Welch (2004, p. 48) are more elaborate in providing a definition for cultural control: “developing voluntary adherence to corporate behavioural norms and expectations through a process of internalization of corporate values and beliefs". In principle, the concepts 'socialisation' and 'cultural control' are used interchangeably (i.e. socialisation is reached through cultural control).

To summarise, control is discussed and defined above as a mechanism, a tool, something the controller can impose upon the controlee. This is the traditional conception of control, and it is presented here as a starting point for the following discussions. Next, I turn to a review of the development of research on organisational control in MNCs.

2.2.2 A review of research on organisational control in MNCs

Organisational control (OC) has been a popular topic since the 1970s and it roots are in the very origins of modern organisational and management science research. Acknowledged
(non-MNC) control publications include Cyert and March (1963), Thompson (1967), Tannenbaum (1968), Perrow (1970), Williamson (1975) and Ouchi (1977 and 1979). Although research in organisational control is very extensive, nowadays most of it is partial and of a piecemeal character (Samuelson, 1999), i.e., the object of research is narrowly defined to deal with one or only a few aspects of control.

To make sense of the dispersed nature of MNC control research and the wish to explore the past evolution of its studies, Erkkilä and Kähäri (2010) present an extensive literature review and analysis of over 70 high-quality reviewed articles on organisational control in MNCs dating from 1975 to 2009. The review has acted as a starting point for the study at hand. The review introduces five research streams of MNC control research; these are the mechanistic, organisational culture, human resource management, network embeddedness, and knowledge-management streams (see Table 2).

<table>
<thead>
<tr>
<th>Research stream</th>
<th>Key references</th>
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<tbody>
<tr>
<td>Mechanistic stream</td>
<td>Baliga &amp; Jaeger, 1984</td>
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<td>Doz &amp; Prahalad, 1984</td>
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<td></td>
<td>Snell, 1992</td>
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<td></td>
<td>Nehria &amp; Ghoshal, 1994</td>
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<td></td>
<td>Veliyath et al., 1997</td>
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<td></td>
<td>Lubatkin et al., 1998</td>
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<td></td>
<td>Chang et al., 2009</td>
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<tr>
<td>Organizational culture stream</td>
<td>Calori et al., 1994</td>
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<td></td>
<td>Lubatkin et al., 1998</td>
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<td>Chang &amp; Taylor 1999</td>
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<td></td>
<td>Lee et al., 2008</td>
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<td></td>
<td>Selmer &amp; de Leon, 2002</td>
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<td></td>
<td>Al-Husain &amp; James, 2003</td>
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<tr>
<td>Human resource management stream</td>
<td>Erazo &amp; Galbraith, 1977</td>
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<td></td>
<td>Fenwick et al., 1999</td>
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<td></td>
<td>Gong, 2003</td>
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<td>Harzing, 2001</td>
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<td>Network embeddedness stream</td>
<td>Gupta &amp; Govindarajan, 1991</td>
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<td></td>
<td>Andersson &amp; Forsgren, 1996</td>
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<td>Holm et al., 1995</td>
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<td>Andersson, 1997</td>
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<td>Anderson et al., 2001</td>
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<td>Mukherji, Mukherji &amp; Hurtado, 2008</td>
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<td></td>
<td>Dürenbächer &amp; Gammagard, 2011</td>
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<td>Brenner &amp; Ambos, 2013</td>
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<tr>
<td>Knowledge management stream</td>
<td>Edwards et al., 2002</td>
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<td></td>
<td>Björkman et al., 2004</td>
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<td>Foss, 2006</td>
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<td>Lee et al., 2008</td>
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<td>Sumelius &amp; Sarala, 2008</td>
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<td>Edensus &amp; Styhre, 2009</td>
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<td>Blomkvist 2012</td>
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Table 2. Research streams on organisational control (based on Erkkilä & Kähäri, 2010)

The table and the discussion are based on the streams presented by Erkkilä & Kähäri (2010), although there are some additions from more recent literature (i.e. from 2010 onwards). The purpose of reviewing this literature is to discuss the development of the field guiding the general control discourse. This review of control literature streams is further complemented with a review of control conceptualizations and their development over time by Erkkilä and Kähäri (2010).
The mechanistic stream
The first research approach is called the mechanistic stream (Erkkilä & Kähäri, 2010). This mainstream worldview is grounded in the assumption that managers and leaders have the ability to plan rationally and then implement their plans. The assumption here is that goals and paths are on the whole known, and are formulated by management intention so that the organisation progresses in a stable, regular, and predictable way (Streatfield, 2001). In this perspective, control is conceptualised as a management tool or mechanism.

One of the key strategic requirements of an MNC is integration of the activities of the various international units. Consequently, a branch of research has focused on demands for the coordination of foreign subsidiaries of MNCs and also on the simultaneous need for global integration and local differentiation (e.g. Baliga & Jaeger, 1984; Cray, 1984; Doz & Prahalad, 1984; Martinez & Jarillo, 1989; Martinez & Jarillo, 1991). Erkkilä & Kähäri (2010) conclude that common to many past studies is their interest in organisational design, contingency theory, determination of the appropriate internal structure for an MNC, and a consequent focus on the strategy-structure paradigm, which is a strand of organisation theory started by e.g. Lawrence and Lorsch (1967) (e.g. Youssef, 1975; Cray, 1984; Eisenhardt, 1985; Ghoshal & Nohria, 1989; Gupta & Govindarajan, 1991; Snell, 1992; Nohria & Ghoshal, 1994; Yeung et al., 2001). Strategy-structure systems, and related planning and control tools, have, however, been criticized e.g. for inhibiting creativity and initiative (Bartlett & Ghoshal, 1995) as the challenge for executives is to engage the knowledge and skills of each person in the organisation (Erkkilä & Kähäri, 2010).

Erkkilä & Kähäri (2010) suggest that whereas many of the earlier studies on organisational control concentrate mainly on top-down, vertically, influencing patterns, formal control mechanisms and systems (with some exceptions: Ouchi 1979; Jaeger 1982), more recent studies have taken a richer view of organisational control by introducing informal control mechanisms into their analyses (Jaeger 1983; Flamboltz et al., 1985; Lebas & Weigenstein, 1986; Martinez & Jarillo, 1991; Calori et al., 1994; Nohria & Ghoshal, 1994; Veliyath et al., 1997; Lubatkin et al., 1998; Lovett et al., 2009). Informal control refers more to a two-way flow of influence, for instance through personal communication, visits, and team building. In multicultural settings, even language and language competence can have an impact on control via communication structures and in the selection of control mechanisms (Marschan-Piekkari et al., 1999; Björkman & Piekkari, 2009).

Erkkilä & Kähäri (2010) find that a clear evolution in the study of MNC control mechanisms is reflected in the inventory of reviewed articles. Until the 1980s, researchers concentrated their attention on structural and formal control mechanisms and tools. An enlarged focus on informal, subtle and cultural control means is also evident since the latter part of the 1980s. This development was expected, as it follows a more general rise of interest in culture and related studies since the 1980s. Later, researchers have taken more multidimensional perspectives and a number of studies have concentrated on investigating an optimal balance between formal and informal control mechanisms (e.g. Hedlund, 1984; Richards & Hu, 2003; Chang et al., 2009).

The organisational culture stream
Organisational culture refers to the values, norms and patterns of action which characterise social relationships within a formal organisation (Erkkilä & Kähäri, 2010). Alongside the rise of cultural studies in general, cultural control has become a focus of interest in the 1980s.
Some studies have investigated the role and effect of national culture on control types, specifically the control systems used in foreign subsidiaries (e.g., Calori et al., 1994; Lubatkin et al., 1998) and many studies have compared control strategies in a variety of cultural environments (e.g., Kirpalani et al., 1988; Chang & Taylor 1999; Chung et al., 2006; Lee et al., 2008).

Erkkilä & Kähäri (2010) also discuss another popular topic, acculturation, i.e. achieving changes in e.g. the work values of host-country employees in foreign subsidiaries (Larsson & Lubatkin, 2001; Selmer & de Leon, 2002; Al-Husan & James, 2003) through which cultural control can be exercised and realised. Cultural reforms can be pursued by means of MNC expatriates and training and development. It is widely acknowledged that controlling through culture is a time-demanding task and implementing a change in culture is more easily said than done. However, doubts have also been raised about the effectiveness of organisational culture as a control mechanism in MNCs and the ability of managers to control culture (Marschan et al., 1996; Welch & Welch, 2006).

The human resource management stream
The third stream of control studies presented by Erkkilä and Kähäri (2010) involves HRM. The earliest control studies related to human resource management (HRM) emphasised the creation of an integrated HRM system and control system (Pucik & Katz, 1986) and explored a clash between the corporate culture of an MNC and the national culture of a local subsidiary, with a focus on HR practices (Schneider, 1988) and the roles of HR functions (Erkkilä & Kähäri, 2010). Later studies also engage in quite traditional research ideas, such as testing the effects of various internal and external factors on MNCs’ use of formal vs. informal mechanisms to control their human resources (Gomez & Sanchez, 2005), investigating the relationship between the MNC nationality and its managers, especially the transfer of parent company nationals and corporate acculturation (Chung et al., 2006), and investigating the cross-cultural determinants of strategic international human resource control over MNC subsidiaries (Wang et al., 2008).

Moreover, a line of research emerged at the turn of the century to address specifically the role of management transfers and expatriates as agents of informal coordination and control and in the development of socialisation strategies in subsidiaries (e.g., Fenwick et al., 1999; Al-Husan & James, 2003; Gong 2003). The pioneering study of expatriate control dates back thirty years (Edström & Galbraith, 1977). As opposed to the company-level analyses, Harzing (2001) adds to the literature by exploring the power-relation dimensions of expatriation and especially by highlighting the complex strategies used by expatriates in implementing the social control function. Some studies have concentrated especially on Japanese expatriates and the HRM practises of Japanese MNCs (Legewie, 2002; Gong, 2003; Paik & Sohn, 2004a). There is abundant justification for this topic because in practice Japanese MNCs depend heavily on expatriates in their subsidiary control strategies. Consequently scholars attempt to challenge the meaningfulness of this strategy in all situations. Moore (2006) questions the primary use of expatriates as social control agents for headquarters. The study challenges earlier more linear and functionalist views of the organisation, takes a more quantitative perspective, and highlights the importance of the external environment and the personal strategies of managers.
Erkkilä & Kähäri (2010) suggest that of the theoretical approaches employed in empirical HRM–performance research in the late 1990s and early 2000s, those based on strategic contingency were the most popular. These approaches provided logical and insightful frameworks for strategy, HRM and context. However, they are criticized for a tendency to overlook employee interests in their attempts to align strategy and HRM. They are also said to be oversimplified and hence unable to capture the complexity and dynamics necessary for understanding the relationship between HRM and the environment (Paauwe & Boselie, 2007).

The network embeddedness stream
The next research stream by Erkkilä & Kähäri (2010) dates to the mid-1990s and focuses on the study of networks shifting the locus of power from headquarters towards the subsidiary (e.g. Dörrenbächer & Gammegaard, 2011). The more recent advances in research include a view of the MNC as a network of transactions and specific relationships (Gupta & Govindarajan, 1991; Andersson & Forsgren, 1996; Brenner & Ambos 2013). In this perspective the subsidiary's embeddedness in the network proposes new considerations for the overall corporate strategy by affecting the integrative endeavours of headquarters and control as perceived by the subsidiaries (Andersson, 1997; Ferner, 2000; Mukherji, Mukherji & Hurtado, 2008). The subsidiary's strategic role assigned by headquarters does not necessarily correspond to its role in the network. Erkkilä & Kähäri (2010) conclude that network stream researchers see the subsidiary's environment as a business network and the degree of embeddedness as an important trait therein. Consequently, researchers in this stream have discussed the problems confronted by headquarters in controlling contextual relationships between subsidiaries (Holm et al., 1995; Anderson et al., 2001) and the importance of headquarters’ knowledge of the network context and attempted to reveal what factors affect local embeddedness (Andersson et al., 2005). Furthermore, the researchers have made an effort to demonstrate that a subsidiary's own business network is an important and (politically) powerful resource in the relationship between headquarters and subsidiary (Andersson & Forsgren, 1996). Network theory contributed an important factor to the MNC discussion, the subsidiary’s own local context, (Erkkilä & Kähäri, 2010).

The knowledge management stream
The fifth stream of control studies deals with knowledge management. Erkkilä and Kähäri (2010) suggest that knowledge exists on two fronts in the control game. First, knowledge is a valuable subsidiary resource, and with the continuous rise of the knowledge-based industries, it will continue to add to the power base of the subsidiaries (Sumelius & Sarala, 2008). Second, managing knowledge across increasingly complex MNC organisations poses a challenge to processes and control (Edwards et al., 2002; Björkman et al., 2004; Edenius & Styhre, 2009).

Based on the resource-based view of the firm and network embeddedness theory, the subsidiary will most likely develop informal roles based on its own resources or competences. These roles will probably affect the amount of control exercised over specific subsidiaries. This stream includes studies focusing specifically on knowledge as a resource or asset, instead of the information technology or systems point of view (Erkkilä & Kähäri, 2010). Knowledge can be related to local environment, procedures or products. Existing research shows that subsidiary knowledge has implications for foreign subsidiary control (e.g. Edwards et al., 2002). Subsidiaries with unique information tend to be less formalised and centralised in decision-making, compared with subsidiaries with little or no unique knowledge. Recent
research efforts include knowledge development in MNC subsidiaries (Sumelius & Sarala, 2008), knowledge transfer between headquarters and subsidiaries (Björkman et al., 2004; Lee et al., 2008, Blomkvist, 2012) and knowledge stocks in addition to knowledge flows (Foss, 2006).

To conclude the review of MNC control literature, Table 3 (by Erkkilä & Kähäri, 2010) compiles an extensive array of different conceptualisations of control over three decades, organising them according to the streams identified above. For the purposes of this study, the attempts to conceptualise control in some less traditional ways, as listed on the right hand column of the table, are the most interesting. All in all, Table 3 illustrates the substantial interest in the phenomenon of control and its importance for international business research. The study at hand attempts to make an addition to the right-hand column, by approaching control as a social construction in early integration.

<table>
<thead>
<tr>
<th>Mechanistic stream</th>
<th>Organisational culture stream</th>
<th>HRM stream</th>
<th>Network embeddedness stream</th>
<th>Knowledge management stream</th>
<th>Novel perspectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureaucratic control</td>
<td>Organisational culture</td>
<td>Management transfer</td>
<td>Context by networks</td>
<td>Decision-making autonomy</td>
<td>Control by cooperation</td>
</tr>
<tr>
<td>Formalisation</td>
<td>Intra-organisational control</td>
<td>Negotiation</td>
<td>Control of exchange relationships</td>
<td>Knowledge development</td>
<td>Control by commitment</td>
</tr>
<tr>
<td>Centralisation</td>
<td>Cultural control</td>
<td>Cultural control</td>
<td>Relational control</td>
<td>Firm-level knowledge</td>
<td>Control by trust</td>
</tr>
<tr>
<td>Concentration of authority</td>
<td>Corporate culture</td>
<td>Transfer of culture (segregation)</td>
<td>Web of relationships</td>
<td>Socialisation</td>
<td>Gaining influence/powers</td>
</tr>
<tr>
<td>Departmentalisation</td>
<td>Behavioural control</td>
<td>Socialisation</td>
<td>Subsidiary role in network</td>
<td>Intangible resources</td>
<td>Administrative weight and value</td>
</tr>
<tr>
<td>Centralisation</td>
<td>Self-control</td>
<td>Social control</td>
<td>Vertical integration</td>
<td>Feedback-seeking behavior</td>
<td>Self-control</td>
</tr>
<tr>
<td>Standardisation</td>
<td>Personal network</td>
<td>Direct, personal control</td>
<td>Network embeddedness</td>
<td>Strategic self-presentation</td>
<td>Resistance</td>
</tr>
<tr>
<td>Integration</td>
<td>Intra-organisational communication</td>
<td>Intra-organisational communication</td>
<td>Social knowledge</td>
<td>Illusion</td>
<td></td>
</tr>
<tr>
<td>Formal structure</td>
<td>Hierarchical communication</td>
<td>Intra-organisational communication</td>
<td>Power</td>
<td></td>
<td></td>
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<tr>
<td>Governance structure</td>
<td>Organisational commitment</td>
<td>Organisational commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control input</td>
<td>Team building</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control personal supervision</td>
<td>Information sharing</td>
<td>Administration tools</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 3. Research streams and conceptualisations of control (Erkkilä & Kähäri, 2010)

Erkkilä and Kähäri (2010) conclude that most of the reviewed studies adopt a rational view of control. This mainstream view is grounded in the assumption that managers and leaders have the ability to plan rationally and then implement their plans. Control is frequently portrayed as a top-down managerial activity that is taken for granted. However, some researchers argue that organisational change processes such as post-acquisition integration are less easy to control than much of the previous literature suggests (Vaara, 2003) and that managers are, in fact, less frequently able to control their change processes. Consequently, some studies have opted to reject the rational view of control and recognise the complex and rather uncontrollable reality of organisational change situations (see e.g. Salancik & Meindl, 1984; Streatfield, 2001). These perspectives acknowledge that the existence of powerful environmental and nonlinear forces affect the functions of an organisation in ways that are often unpredictable and uncontrollable (Finkelstein, 2002). For now, I turn to a review of the latest developments in organisational control research, which attempt to challenge the traditional view of the phenomenon.
2.2.3 Novel developments in studies of organisational control

Complementing the mainstream control studies, more recent developments in control literature hold that organisations are managed better through normative and concertive mechanisms as opposed to bureaucratic and coercive (see Table 3). This view emphasises the role of the individual and the concept of control consequently takes on new dimensions. In this section, I will review perspectives that challenge the conventional understanding of organisational control. I will then build on them in my own thesis.

Several studies have discussed the concept of commitment in contrast to control by compliance (e.g. Malhotra, 2002; Bijlsma-Frankema, 2004; Heinsman, de Hoogh, Koopman & van Muijen, 2006 & 2008). It has been noted that control by compliance is more suited to organisations within a stable and predictable business environment, in which for instance worker performance can be measured with reasonable precision. Nowadays, the monitoring and adjustments to behaviour that would be required in these circumstances are likely to offend a knowledge worker's sense of autonomy (Malhotra, 2002). Under conditions of ambiguity, uncertainty as well as radical and unpredictable change, control by commitment appears a viable option. Strategy-structure systems and related planning and control tools have been criticised e.g. for inhibiting creativity and initiative (Bartlett & Ghoshal, 1995) as the challenge for executives is to engage the knowledge and skills of each person in the organisation.

Globalisation is setting new requirements for control in MNCs. When a growing proportion of business takes place outside of the home base, often involving higher risks, control also needs to be exercised in countries and business environments that may be unknown to MNCs. Control in general becomes more and more difficult to carry out when the number of country subsidiaries grows, thereby creating space for self-control. Under these conditions, the role of subsidiaries vis-à-vis headquarters is enhanced; they are able to exercise self-control and contribute actively to the HQ relationship. Studies of social controls e.g. self-control and feedback-seeking (Gupta et al., 1999), attention-seeking (Bouquet & Birkinshaw, 2008b), the ability of low-power actors to gain influence (Bouquet & Birkinshaw, 2008a) and social knowledge (Sohn, 1994) are all illustrations of this.

Conceptual complexity has also set new requirements for research methodologies. The increasing complexity of control and the emergence of new topics call for application of a greater variety of methods and intensified use of multiple methods (Marschan-Piekkari & Welch, 2004). In the review by Erkkilä and Kähäri (2010), 80 per cent of the empirical studies involved quantitative methodologies. Qualitative studies were a relatively new phenomenon. Also, the unit of analysis in control research is taking on new dimensions. While there is a shift from the management and strategic perspective to the organisational perspective on control, there is a parallel shift in the unit of analysis from the subsidiary to the individual (e.g. Gupta et al., 1999; Bijlsma-Frankema, 2004; Westwood, 2004). The behaviour of the individual is becoming more important and the focus is not limited to managers but includes all members of the organisation and their mindsets and cognitive orientations. Maguire (1999) consequently challenges the appropriateness of the discourse of managerial control of employees and suggests that a discourse of accountability would highlight the reciprocity necessary at least for building ethical organisations. Likewise, the study at hand wants to challenge the traditional discourse of managerial control and explore the social reality of early integration constructed through manager talk.
Robertson and Swan (2003) discuss the contemporary and complex managerial dilemma entailed in balancing autonomy with control and uncertainty. Their analysis shows how a strong organisational culture based on acceptance of ambiguity, for instance roles, organisational routines and practices, promotes development of a committed and effective workforce. Ambiguity allows individuals to sustain multiple identities as both ‘expert’ and ‘consultant’. It helps them to maximise commitment to work and minimise tensions between control and autonomy.

In the formation of management controls, Verstegen (2011) highlights the importance of social more than economic factors. He argues that incorporating both rule-following and purpose-seeking behaviour would permit a more fundamental understanding of aspects of organisational behaviour. Raelin (2010), on the other hand, questions the applicability of managerial control in post-bureaucratic society. He considers soft controls as sources of empowerment and also suggests that management take on new roles, for instance as facilitators.

Christ, Sedatole, Towry and Thomas (2008) suggest that control affects trust and cooperation negatively. Hence understanding the relationship between the various organisational controls and their impact on cooperation and trust is a serious consideration for organisations. The trust-control nexus is described as a continuous balancing act (Bachmann, 2001; Jagd, 2010). The abstract concepts of trust and control have usually been treated as functionally alternative institutional systems for absorbing socially-defined risk and uncertainty (Zucker 1986). Reed (1991) suggests, however, that trust relations are in fact based on crucial elements of calculation and exchange-based dependency to a much greater extent than usually recognised. Furthermore, it has been suggested that the conventional dichotomy between normatively-based trust and politically-based control has become unsustainable and that organisational analysis has consistently blurred the boundaries between them. Reed (2001) consequently studied trust/control relationships in organisational contexts and suggests that these relations work as mechanisms that govern (re)production of expert power in organisations.

Bijlsma-Frankema and Costa (2005) argue that the effectiveness of control is diminishing while the importance of trust in both intra- and inter-organisational relations is growing. They suggest that both trust and control can contribute to building the positive expectations of others in both interpersonal relations and institutional frameworks. Maguire, Phillips and Hardy (2001) build on the close connection between trust (which indicates predictability in behavior) and control (behaviour being subject to some kind of control mechanism) and suggest that different kinds of trust are associated with different types of control.

Everyday issues such as language and talk can also serve as means of control. In their study, Marschan-Piekkari, Welch and Welch (1999) highlighted the role of language as a source of power in multinationals, while earlier research had emphasized the importance of horizontal communication and team building as control and coordination mechanisms in such organisations. Marschan-Piekkari et al. (1999) found that language imposes its own structures on communication flows and personal networks. Czarniawska-Joerges & Joerges (1988) explore the uses of linguistic artifacts as tools for control in organisations. They found that leaders use labels, metaphors and platitudes to manage meaning. New ways of managing meaning include explaining, colouring and familiarising as opposed to conventional change and control methods such as commanding, rewarding and punishing. Oakes, Townley and
Cooper (1998) examine business plans and planning processes such as controlling and redirecting work and changing the identity of producers in a museum and heritage site environment. From their perspective, adopted from Alvesson & Deetz (1996), management control is focusing less on labour power and behaviour and more on the mind power and subjectivities of employees. Such research suggests that we should take power, language and subjectivity more seriously when examining controls such as business planning.

As reviewed above, current research presents a less straightforward and more multifaceted portrayal of the ‘art’ of controlling and coordinating control than earlier work. Table 3 summarises this in a review of novel perspectives on organisational control and concepts. The purpose of all of the above discussion has been to open up existing research streams and discourses in the M&A field and organisational control. I will now move on from the presentation of novel conceptualisations of control to a review of the existing literature on M&A processes, a discussion to which my empirical study will specifically attempt to contribute.

2.3 Research on control in M&As

The purpose of this section is to review and discuss the existing literature concerning organisational control in M&As, but also related topics on the degree of integration and autonomy. After this review, I will, to complement existing literature, discuss the conceptual framework for the study, which attempts to address the concept of control in early integration with a social constructionist approach.

For the acquirer, control issues are acknowledged to have pivotal importance in M&A integration (Kitching, 1967; Shrivastava, 1986; Buono & Bowditch, 1989; Olie, 1994). The mainstream of existing studies discusses the differences between managers from various countries in establishing control systems in acquired companies. Some of the earliest studies deal with decisions involving formal and informal control systems. As in the MNC control literature reviewed above, some M&A researchers have more recently suggested more novel perspectives to ensure better control in M&A processes. The emphasis in the existing M&A specific literature is, however, on managerial or normative approach, treating control as a top-down mechanism or system. This leaves room for approaching the concept of control, and the phenomenon of controlling, in a socially constructed manner.

Acquisitions generally provide the acquiring company with a strong position and the legal power to introduce changes in the management practices of the target company. The manner and the extent of the changes depend not only on the intentions of the new owner, but also on the degree of integration and control exercised over the target in implementing the changes. (Child, Faulkner & Pitkethly, 2001) Generally, the integration strategy (also referred to as the integration approach or the degree of integration) of the acquirer company defines the location, nature, extent and direction of change during integration (Teerikangas & Joseph, 2012). Teerikangas and Joseph (2012) also suggest that the degree of integration is one of the most central issues in integration management. Essentially, the critical questions are considered to centre around 1) the extent to which the target should be left autonomous or absorbed and 2) how much mutual coordination (or control) is sought. Here I will first discuss the generally acknowledged approaches to integration.
It is usually suggested that levels of integration, autonomy and control go somewhat hand in hand, as the controls selected illustrate the degree to which the acquirer is willing to grant a measure of autonomy to the newly acquired company. However, Child et al. (2001) argue that the degree of integration and control are determined by a wide range of factors, and that based on their study and the perceived lack of correlation, they suggest that the concepts of integration and control are in fact independent. They argue that decisions on integration and control are to some extent separate and that integration does not necessarily involve control or vice versa. Furthermore, Child et al. (2001) make a distinction between integration and intervention. Control can take place through intervention, and need not be accompanied by integration, even if integration does imply exertion of some control. Although integration and control are in practice intertwined in many acquisitions, based on Child et al. (2001) we can conceptually separate decisions on the level of integration from decisions on the control methods and systems adopted. As an inappropriate level of integration might be detrimental to performance, decisions on the degree of integration and control are usually considered important.

Recent understanding emphasises the decision to find the appropriate level of integration, suggesting that not all acquisitions are alike in terms of their integration process, management challenges and requirements (Teerikangas & Joseph, 2012). Perhaps the most established model of integration levels is that of Haspeslagh and Jemison (1991). They present four different approaches integration that the acquirer company can adopt (Figure 1) and suggest key integration tasks for each approach. In the preservation approach, the target company may have capabilities that should be protected from interference, whereas in absorption the target is consolidated with the buyer. The symbiotic approach is considered the most challenging as it entails balancing between the conflicting demands of preserving the target company’s culture while developing interdependencies between the companies (Venables & Koppenberg, 1998). In holding approach integration does not take place.

![Figure 1](image)

**Figure 1.** Key integration tasks for each integration approach (Haspeslagh & Jemison, 1991, p. 145)
The degree of integration can also be depicted linearly as a spectrum, ranging from a low level of integration, through partially integrated situations, to (almost) total integration or absorption (Child et al., 2001). With low levels of integration, acquirers regularly monitor only the financial and other operating figures of the new subsidiary. On the highest level of integration, fully distributed reporting by function occurs.

More recently, Ellis, Weber, Raveh and Tarba (2012) discuss three integration approaches - absorption, symbiotic and transformation. They argue that the transformation approach is commonly documented in large related M&As. The transformation approach requires significant changes in both companies; the newly combined company seeks to reinvent itself by discarding old new routines, culture and other organisational qualities and developing new ones (Ellis et al., 2012). For determining the right level of integration, Pablo (1994) presents a model combining the strategic, organisational, cultural and political characteristics of an acquisition that influence the judgement of managers regarding integration. Managers may use this multiple decision perspective to consider the level required for achieving the appropriate coordination and control functions of integration.

In an acquisition, there is also a need to exercise some degree of control over the acquired company, which may be acting in the acquirer’s name and using its resources. Consequently, the importance of control of acquisitions and the variety of the control approaches are broadly acknowledged in the literature. Child et al. (2001) argue that the control system selected illustrates the degree to which the acquirer is willing to grant a certain level of autonomy to the newly acquired subsidiary. It can have a crucial effect on the levels of motivation of the acquired subsidiary personnel. Consequently, the control-autonomy (also referred to as coordination-autonomy) dilemma follows M&A research from the MNC-subsidiary relationship discussion.

At most simple, Datta and Grant (1990) suggest that autonomy should be proportional to the unrelatedness of the acquisition’s business. Larsson and Finkelstein (1999) emphasise the significance of interaction and coordination for the degree of synergy realisation in post-acquisition integration. In the case of small acquired technology-based firms, where potential synergies are high, Puranam, Singh and Zollo (2006) found that the decision to integrate a high-technology target depends on the developmental stage of the target’s innovation trajectories. Puranam et al. (2006) also find that despite potential integration costs and disruption, the consequences are outweighed by the opportunities gained. Structural integration is viewed as a necessary mechanism for achieving coordination.

Common to all the above studies is a strategic emphasis on determining ‘the correct level’ of autonomy and control needed to identify potential synergies. Brannen & Peterson (2015) suggest three integration challenges identified by scholars, namely (1) national and organisational cultural differences between acquired and target companies (e.g. Chatterjee et al., 1992; Nahavandi & Malekzadeh, 1988), (2) managers from different countries who are accustomed to different control systems (e.g. Calori et al., 1994), and (3) the effects of the acquirer’s nationality on the integration procedures introduced in the target company (e.g. Barkema et al., 1996).

National and organisational cultural differences serve as a starting point for many studies. Chatterjee, Lubatkin, Schweiger and Weber (1992) argue that an overemphasis on controlling the target by imposing goals and decisions may be dysfunctional. They find that as tolerance...
for multiculturalism decreases, so does the market’s earnings expectations. Consequently, Chatterjee et al. (1992) emphasise the need to pay attention to issues of both cultural and strategic fit during the premerger search process, and thus take a more holistic perspective.

Calori et al. (1994) and later Lubatkin et al. (1998) focus on the impact of organisational administrative heritage (culture) on the integrative mechanisms used to establish headquarters-subsidiary control. They find that during integration, the control strategies initially employed by the acquirer are seen to reflect the acquirer company’s understanding of how things ought to be done. They conclude that the British and French acquirers studied tended to establish different relationships with the target. The French acquirers were more inclined to transfer managers to key positions in the target companies than the British acquirers, and also exerted higher levels of strategic control. Furthermore, Child et al. (2001) concentrate on the effect of national cultural differences on strategic and operational control and deem American acquirers as ‘absorbers’, Japanese acquirers as ‘preservers’ and French acquirers as ‘colonialists’. Brannen & Peterson (2015) conclude that successful implementation of cross-culturally distinct controls depends on how the control systems are managed (e.g. Larsson & Lubatkin, 2001) and communicated (e.g. Zhu et al., 2004) and finally how they are integrated into the newly formed organisation.

Malhotra and Gaur (2014) show how spatial geography influences companies’ choice of control in cross-border acquisitions. Building arguments on the information asymmetry in cross-border acquisitions, they argue that geographic distance hinders the efforts of acquirers to access the true value of the target. Firms were found to prefer higher equity stakes when information asymmetry was low. As the geographic distance increases, local partners can help the acquirer in the unknown local environment and acquirers can reduce adverse selection and moral hazard concerns by seeking only partial equity. However, when the information asymmetry is very high, the costs of control were found to outweigh the benefits of shared equity, leading to a preference for higher equity stakes.

Instead of national culture and the effects of different cultures, Jordão, Souza and Avelar (2014) analyse the effect of organisational culture on the post-acquisition management control system in a Brazilian acquisition case. The authors find that changes in the target company’s control system were an outgrowth of the new culture of financial results introduced by the owner. Implementation of this culture implied modifications in production, financial and quality controls. Gates and Very (2003) address the question of controlling integration and develop a contingency framework for measuring progress therein. The study takes up two questions, first, which measures are relevant for monitoring integration, and second, when should acquirers introduce these measures. The authors find that due to the risks (such as planning an overly rigid system, selecting the wrong performance metrics, and potential negative reactions among employees) associated with early preparation of the measurement system, many acquirers do not control the process that takes place after the deal closes.

A top-down, acquirer perspective on control appears to be common to the above studies. This is inevitable, as M&A integration as a research concern addresses hot, real-life topics, relevant to many corporate actors. Studies concentrate mainly on finding the right tools or mix in the existing repertoire of tools to control targets after acquisition. Control as a concept has not been much opened up, however some qualitative, more in-depth M&A control studies exist (Vuorenmaa, 2004; Biljsma-Frankema, 2004). Moreover, most control studies in mergers and
acquisitions examine control through meanings predetermined by the researchers instead of giving voice to managers themselves during the integration process and attempting to understand integration and control processes.

As a step forward in qualitative control studies, Vuorenmaa (2004) analyses trust and control in corporate integration and presents a variety of explanations for success or failure in M&As. Al-Husan and James (2003) take a closer look at the use of expatriates in generating cultural reform in acquired companies. The study proposes that companies generally use ethnographic control approaches in integration. Larsson and Lubatkin (2001) propose that acculturation is dependent on implementation of informal integration processes and is best achieved by relying on social controls.

As a step towards a more holistic view of M&A control, Biljsma-Frankema (2004) analyses the success and failure factors in post-acquisition processes. Applying cognitive mapping in interviews with managers, her findings highlight differences on three different collective maps representing strategists, presidents of strategic business unit and HR managers and four dilemmas that management encounters in post-acquisition change. These dilemmas are 1) control versus cooperation, 2) how to handle the culture of the target firm, 3) trust versus distrust and 4) speed versus carefulness. The groups were found to differ substantially in their views on effective control in achieving financial goals in the acquisition case. In the view of strategists, controlling was a straight-forward act - the more control you get the better, whereas the strategic-business-unit presidents (SBU) experienced a control versus commitment/cooperation dilemma. The SBU presidents felt trapped in the commitment/cooperation dilemma as they sought to establish control while remaining dependent on the commitment of people to maintain it. Too much control can damage commitment to cooperation. The authors propose a balanced mix of clarity regarding goals and strategies based on cooperation such as negotiation, legitimisation and communication. They contend that this mix is more effective in realizing financial goals than control alone.

In particular, the purpose of the review of organisational control in MNCs and in M&A processes is to address the dominance of interest in control mechanisms and the effectiveness of control in academic literature. Studies tend to be based on the notion of ‘[a] clear rationality of control’ (Biljsma-Frankema, 2004), whereas more recently identified, trust-based rationality (e.g. Vuorenmaa, 2004) relies on quite different assumptions about the nature of human beings and the optimal way to govern human behaviour. These more recent approaches treat control more as a phenomenon than a mere managerial mechanism.

I will now turn to the idea of Buono & Bowditch (1989), which is that the concept of control in M&A is something other than a mechanism. Applying a human resource perspective on M&A, Buono and Bowditch (1989) also see managerial control in acquisitions as the perception of maintaining control in a given situation. They argue that ‘being in control’ is an essential concern during an increasingly hectic and tension-laden period.

Acquisitions are often described as having ‘a life of their own’ (Jemison & Sitkin, 1986, Buono & Bowditch, 1989), “with shifting periods of waiting and frenzied activities, a sense of escalating momentum, cascading minor changes, rising tensions and conflicts, and stressful uncertainties” (Marks & Mirvis, 1985). Buono & Bowditch (1989) consequently question the view of management as a controlling act. They argue that planning and control can have immense dysfunctional consequences for what the organisation is attempting to accomplish. Their
study of the dynamics of mergers and acquisitions suggests that it is in fact impossible to prevent people’s fears, uncertainties, stresses and tensions from emerging and to stop them from disrupting organisational processes. They contend that too much is simply beyond the scope of managerial control. As a practical solution to this controlling problem, Buono and Bowditch (1989) suggest that instead of managing the acquisition process, a more useful perspective may be to cope with the many difficulties, uncertainties and tensions that are inevitable in change. A lack of complete control, however, does not mean that managers are unable to exert any control at all. As a managerial solution the authors suggest that the key is to understand ‘the controllables and the uncontrollables’ in M&A and identify those areas that can be managed in the traditional sense and those that can be ‘managed’ through coping strategies (Buono & Bowditch, 1989).

To sum up, most studies of control in MNCs and control in M&A processes have adopted a rational view of control (see Table 4 for suggestions for traditional and alternative views on M&A control). This mainstream view is grounded in the assumption that leaders have the ability to plan rationally and then implement their plans. Control is frequently portrayed as unidirectional, top-down managerial activity or a set of mechanisms or tools from which leaders can select a suitable mix. Numerous studies have consequently concentrated on investigating an optimal balance between formal and informal control mechanisms.

<table>
<thead>
<tr>
<th>Traditional view on M&amp;A control</th>
<th>Alternative view on M&amp;A control</th>
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</thead>
<tbody>
<tr>
<td>Control as managerial tools and systems/</td>
<td>Control as a social construction/an illusion</td>
</tr>
<tr>
<td>top-down rationality</td>
<td></td>
</tr>
<tr>
<td>Calculated act:</td>
<td>Balancing act:</td>
</tr>
<tr>
<td>managers able to rationally plan and implement</td>
<td>Managements needs to deal with e.g. commitment</td>
</tr>
<tr>
<td>control</td>
<td>and trust issues</td>
</tr>
<tr>
<td>Management generally ‘in control’:</td>
<td>Management may not be ‘in control’:</td>
</tr>
<tr>
<td>managers are ‘managing’</td>
<td>managers are ‘coping’</td>
</tr>
</tbody>
</table>

**Table 4. Suggestions for the characteristics of the traditional and alternative views of control**

This study, however, acknowledges an alternative view on control (see Table 4) and addresses it as an abstract, complex phenomenon (e.g. Salancik & Meindl, 1984; Streatfield, 2001; Finkelstein, 2002). It questions ‘the rationality’ of control and approaches the phenomenon as a social construction. It has been argued that managers are actually not often ‘in control’ of their change processes (Streatfield, 2001). Consequently, alternative view on control also acknowledges the management of an acquisition as a balancing act (Bijlsma-Frankema, 2004) between the need to control all resources and the need to commit, cooperate and manage human resources. From this viewpoint approaching the uncertain phase of early integration as a context for control is especially intriguing.

From these points of departure, I wrap up the literature review of M&A control studies, and move on to setting the stage for building new understanding of M&As by addressing the social construction of the early integration and control of an acquisition.
2.4 The proposed conceptual framework: social construction of early integration and control during this phase

As stated earlier, the main research question is the following: How do acquirer and target managers socially construct early integration and control during this phase? In order to address this question, I have developed a conceptual framework (see Figure 2). In the framework early integration provides a context for constructing the realities of the acquirer and target managers. In order to lay the ground for the empirical analysis, I have reviewed extensive literature on M&A processes, organisational control, and control in M&A processes. The literature on the early integration of acquisitions, or on control over it, is rather scarce, most likely because a great deal of M&A research aims at identifying the factors contributing to success, value creation and performance, studied over a longer time span (Teerikangas & Joseph, 2012). To address this shortcoming, this study is designed to focus specifically on the early days of integration.

Having reviewed the M&A literature we can conclude that the start of integration is considered a critical phase in the M&A process for the acquirer management and all involved managers and employees alike. It is suggested that the acquirer and the target sides have different psychological perspectives on the deal (Marks & Mirvis, 2011b). The acquirer perspective to post-acquisition integration dominates the study field. Furthermore, from this perspective control issues are pivotal in post-acquisition integration (Kitching, 1967; Shrivastava, 1986; Buono & Bowditch, 1989; Calori et al., 1994; Olie, 1994; Bijlsma-Frankema, 2004). Establishing control in the target company is proposed often as one of the main priorities in early integration (see Figure 2). Moreover, the acquirer managers are also advised to capitalise on the time when the organisation experiences its greatest receptivity to change - that is the early days of integration.

From the perspective of the target company, however, change and control often cause uncertainty, anxiety and stress, as studies from the human perspective on M&A have shown (e.g. Schweiger & Ivancevich, 1985; Schweiger et al., 1987; Cartwright & Cooper, 1990, 1993; Marks & Mirvis, 1997, 2011a, 2011b; Sinkovic et al., 2011). Target perspective remains underrepresented in academic literature. However, it is suggested that these less official issues contribute to our understanding of M&A processes and what is happening in organisations during acquisitions (Risberg, 2003a).

Consequently, this study is guided by the desire to build more understanding of early integration from both acquirer and target sides. The conceptual frame (Figure 2) presents early integration as a phenomenon which on the one hand embraces the acquirer’s desire and necessity to execute changes and control the target. On the other hand, the acquired or target company is, as the name suggests, ‘a target’ for the changes and control. Furthermore, as the acquirer can legally establish control in early integration, the target’s management needs to relinquish at least some of its decision-making power.
The contribution of this research lies in showing how early integration and control during it are socially constructed by both the acquirer and target managers. The study is designed to give voice to managers dealing with the on-going change and uncertainty, both in implementing change and in dealing with it. Most importantly, the study involves managers on different levels from both the acquirer and target companies in exposing the meanings assigned by them to early integration. This is important for building a more multifaceted view of early integration.

In this research, the analysis is guided by ideas related to the conceptual framework built by earlier research. The preceding, extensive reviews of M&A literature, organisational control, and control in M&A processes sought to lay the ground for the potential interpretive repertoires of early integration, for their use and their identification from the interview text. However, sources of meaning-making other than academic and management literature also exist. Such frames of reference include business, organisational and national cultures, and also personal backgrounds. Discourse analysis provides a methodological framework for the study. It is an appropriate framework for the pluralistic perspective applied, exposing the multiple realities of those involved, in this case managers in early integration. Discourse analysis recognises multiple voices and addressed the phenomenon under focus as a compilation of multiple realities instead of the reality of one dominant group, i.e. traditionally acquirer managers. The methodology of the study, including the discourse analytical framework, will be discussed in the following chapter.
3. Methodology

This chapter outlines the methodological choices, the research context and describes the progress of the research and the analysis process, thus preparing the way for the analysis presented in the next chapter. The important reflection on my own role as a researcher in this discourse analytic work is discussed at relevant points throughout the chapter.

3.1 Philosophical background

Ontologically, this research builds on the position that the world is socially constructed. Social constructionism originated as an attempt to come to terms with the nature of reality and has its origins in sociology. Burr (2003) acknowledges the major influence of Berger and Luckmann (1966) in its development.

Social constructionism is an alternative to what is referred to as positivism and empiricism in traditional science (Burr, 2003). Consequently, it can be defined through its basic principles: anti-essentialism and anti-realism (Burr, 1995). Epistemologically, knowledge is not considered inborn, but can be found in the relationships between people and is created between people. Ontologically, there is no absolute truth, but several different truths and possible meanings. Truths are specifically and locally constructed in interactions – it depends on whom you ask. Consequently, knowledge is culturally and historically situated. Methodology in constructionism is based on hermeneutics (i.e. interpretation) and attempts to build understanding (Metsämuuronen, 2000; Jokinen, Juhila & Suoninen 1999).

Uncovering the ways in which individuals and groups participate in the creation of their perceived social reality is a major focus of social constructionism. Whereas the positivist and post-positivist research paradigms attempt to reveal an objective truth, social constructionism abandons the idea of a universal truth. Socially constructed reality is seen as an ongoing, dynamic process; meanings and versions of ‘reality’ are constantly being (re)constructed and negotiated by participants in interaction. In addition, a key assumption of social constructionism is that all ways of understanding are historically and culturally relative, and that knowledge is temporally bound. Most intriguingly, this paradigm invites us to question our taken-for-granted ways of understanding the world. It urges us to be critical of the idea that our observations of the world will unproblematically reveal its nature to us, and to challenge the view that conventional knowledge is based upon objective and unbiased observation of the world.

I approach early integration in this research by analysing managers’ talk produced in interviews. Empirically, it is examined through language and as a linguistic phenomenon. In constructionism, language is not only a means for expressing thought, but a prerequisite for thought (Eskola & Suoranta, 2000). As opposed to the realist view of world, where language is seen as a means to obtain facts, the social constructionist view sees language as constructing reality. Whereas the realist view sees language as a mere conveyor of social life or as an instrument used to acquire knowledge of the reality, social constructionism recognises language as a carrier of social practices (Potter & Wetherell, 1987; Eskola & Suoranta, 2000). By placing everyday human interaction centre-stage and acknowledging
that such interaction actively produces the forms of knowledge we take for granted and their associated social phenomena, we recognise that language, too, is more than just a way of expressing ourselves (Burr, 2003).

### 3.2 Discourse analysis

This study applies discourse analytical methods in creating new knowledge on early integration of post-acquisition processes and how it is managed. When engaging in discourse analysis, it is important to define the term ‘discourse’ and discuss other considerations concerning discourse analysis, for instance the underlying theoretical assumptions and empirical focus of the research. Potter and Wetherell (1987) begin their discussion on discourse analysis by stating that commentators in this area can perhaps agree only that terminological confusion abounds. This is because developments in this area have been happening concurrently in a number of different disciplines (e.g. psychology, sociology, linguistics, philosophy, media and communication studies) using an array of theoretical perspectives.

Next, I will present approaches to discourse analysis and discuss the underlying assumptions of my study, including where my study falls within these approaches. Then I will discuss the definition of interpretive repertoire. Having laid the ground for the discourse analytic choices, I will discuss the decision to generate data in interviews and finally analyse my own role in the discourse analytical study.

#### 3.2.1 Discourse analytical approaches

Discourse analysis is frequently described as a broader theoretical framework for a variety of research areas, instead of a simple analysis method (Potter & Wetherell, 1987; Jokinen et al., 1993). Discourse analysis does not simply comprise a set of techniques for conducting qualitative and structured examinations of texts, but also involves a set of assumptions concerning the constructive effects of language (Phillips & Hardy, 2002). Discourse analytic approaches represent a reflexive and interpretive style of analysis that is most stimulating. In other words, as a researcher I am interested in how actors generating text make things understandable by using language.

As Stahl and Mendenhall (2005) point out, discourse analysis, as opposed to quantitative methodological and analytic approach, can capture more of the human and socio-cultural aspects of such complex and multifaceted organisational change as M&A. Generally, discourse analysis of M&A processes is aimed to provide us a richer picture of the M&A integration process by showing how individuals socially construct meanings about M&A events.

This study concentrates on managerial use of language during an organisational change period. To position this study among the various approaches in the discourse analytical field, I discuss it among Phillips and Hardy's (2002) four perspectives on the study of discourse analysis (see Figure 3). The perspectives are based on one hand on the dimensions of text versus context and on the other hand on the focus of the study, which is either on the processes of construction of social realities (constructivist dimension in Figure 3) or on power dynamics (critical dimension in Figure 3). The dimensions of this framework are continua and not
simple categories. Not all research necessarily falls neatly into a particular category, which is also the case in my study.

The horizontal axis in Figure 3 represents the choice between constructivist and critical approaches. ‘Constructivist dimension’ deserves to be defined to avoid misinterpretation. “Constructivist” refers here to “studies that focus more closely on the processes of social construction that constitute social reality” (Phillips & Hardy 2002, p. 19).

Further, Siltaoja & Vehkaperä (2011) distinguish between two different ontological views typical in discourse analysis: critical realism (‘critical approach’) and social constructionism (‘constructivist approach’). They suggest that “constructivist” here refers to “interpretive” research approach as opposed to the critical approach - a traditional division in social sciences (see Siltaoja & Vehkaperä, 2011, p. 213 for their interpretation). Critical approaches focus more explicitly on the dynamics of power, knowledge and ideology surrounding discursive processes (Phillips & Hardy, 2002).

Critical studies are relatively common in discourse analysis. In part this is due to the influence of Foucault’s (1972) work, which has led to a body of research on the disciplinary effects of discourse and the relationship between power and knowledge. Critical organisational researchers see language as a system of distinction, building on the repression of hidden meanings. Such studies often focus on “unmasking the privileges inherent in particular discourses”, emphasising their constraining effects and exposing grand or “mega” discourses that shape social reality and constrain actors (Alvesson & Kärreman, 2000b). My study includes features of both interpretive and critical approaches. I started my research with an interpretive approach, with little interest in the dynamics of power. As the research process progressed, I realised tuning into a more critical mindset, as I noticed the dominance of some repertoires during the analysis of repertoire use.

![Figure 3. Approaches to discourse analysis (Phillips & Hardy 2002, p. 20)](image)

Considering the vertical axis, Alvesson and Kärreman (2000b) contend that empirical studies tend to focus more closely on either the broad social context or on a particular piece of text.
Here the general decision is related to the data selected by the researcher and on which the empirical research focuses. In my study, the focus is on interview text, however, the integration context is relevant in the analysis. I approached the generated interview text with the idea of identifying interpretive repertoires (see Potter and Wetherell, 1987).

Potter and Wetherell’s (1987) form of discourse analysis was developed from a variety of disciplines to explain how people use language to construct multiple versions of the social world in a social context. It falls into the approach of social linguistic analysis, which examines specific examples of text and talk such as recordings of conversations, interviews, participant observation, focus groups and stories. Studies of this kind are useful in understanding how social phenomena such as decisions, organisations, and identities are produced by specific discursive actions on the part of particular actors and in specific events. This form was developed for and has been used extensively in social psychology. More recently, however, studies using interpretive repertoire come from diverse disciplines, also from management studies (e.g. Lampinen, 2005).

Whereas the study at hand concentrates on studying discourse on the level of text, i.e. the language used by managers in interviews in early integration, I do not regard discourse as merely a semiotic mechanism or linguistic device. Although I engage in more detailed analysis than macro-level studies, I acknowledge the existence of e.g. ‘managerial discourse’, i.e. the way that managers use language as part of their roles and social context. This interpretation relates to the fundamental idea of ‘social construction of reality’ and together with the phenomenon of early integration, constitutes the distal context for my study. The proximate context for my study, relating to material generation for the study, that is the interview context, is discussed later in this chapter. The fact that my data were generated in interviews draws my study away from the purest of micro-level studies.

Since my analysis takes into consideration the distal context of early integration and organisational change, it is not a purely social linguistic analysis. In my analysis, I focus on the text first and use an understanding of the integration context in the analysis. The analysis, however, does not concentrate on only one individual and text generated by a single individual, but includes interview material from several managers involved in the early integration change process. Hence the analysis does not remain on the level of a single text, but is rather a limited accumulation of interpersonal level interactions which gather to form – not macro-level, dominant “institutional practices and collective social perspectives” as formulated by Grant et al. (2001) – but local/context specific versions of the event, i.e. interpretive repertoires.

The so-called long-range, macro-systemic approaches – the Grand Discourse and Mega-Discourse approach – to discourse analysis have been applied rather frequently in analysis of media texts on mergers and acquisitions (e.g. Tienari et al., 2000; Vaara & Tienari, 2002; Tienari et al., 2003; Vaara et al., 2005; Halsall, 2008; Aula & Tienari, 2011; Hellgren, Löwstedt & Werr, 2011). In these approaches discourse is seen as rather universal and historically situated (Alvesson & Kärreman, 2000). When it comes to applicability, these approaches can reveal the more or less standardised ways of using language when referring to well-known phenomenon such as globalisation or diversity. My study, however, is interested in discourse at a closer range, where language use is related to the social context in which discourse is produced (Alvesson & Kärreman, 2000). The analysis creates understanding of an important mini-period of early integration and the language used by managers during that period.
Hence the most appropriate definition for the level of the analysis is not the pure micro level, or micro-discourse approach as defined by Alvesson and Kärreman (2000b), but rather the meso level, which goes beyond the intrapersonal focus of the micro-level studies to the interpersonal level, where the focus is on interaction between individuals or groups of individuals through for instance conversations (Grant et al., 2001). The meso-discourse approach to discourse analysis as defined by Alvesson and Kärreman (2000b, p. 133) is relatively sensitive to language use in context, but also interested in finding broader patterns and going beyond the details of the text. This is in line with the analysis in my study, which extends from the proximal, interview context to the distal context, the early integration.

3.2.2 The definition of interpretive repertoire

Discourse is a popular term used in a variety of ways, some of which are also confusing, (Alvesson & Kärreman, 2000). As in the case of discourse analysis, defining discourse as a concept is not an easy task. The strict view of discourse limits it to spoken dialogue. In more conventional terms, discourse refers to actual practices of both talking and writing (Woodilla, 1998). Potter & Wetherell (1987) refer to discourse in its broadest sense as all forms of spoken interaction, formal and informal, and written texts of all kinds. Parker (1922) introduces a simple definition of discourse as an interrelated set of texts and the practices of their production, dissemination, and reception that bring an object into being.

The concept selected for the use of this study is interpretive repertoire (also interpretative repertoire). Interpretive repertoire is a theoretical and analytical concept used in some discourse analysis and developed by social psychologists. The definitions of discourse and interpretive repertoire are much alike, and the terms are often used interchangeably (e.g. Jokinen et al., 1993). However, whereas the concept of discourse is often used as a tool for analysing historical power and hegemony in talk and in shaping social institutions (see Foucault, 1972), conceptualised as a culturally well-established practice of talk, interpretive repertoires emphasise flexibility in the local use of discursive practice.

Interpretive repertoire can be defined as "the register of terms and metaphors drawn upon to characterize and evaluate actions and events" (Potter & Wetherell, 1987, p. 138.) Moreover, "Repertoires can be seen as building blocks that speakers use for constructing versions of actions, cognitive processes and other phenomena (Wetherell & Potter, 1988, p. 172). In their definition, Wetherell and Potter (1988) emphasise the social act nature of discourse, the ‘doing’ and ‘action’, instead of the institutional nature. Consequently, the concept of interpretive repertoire is generally best suited to detailed-level analyses of single texts and everyday use of language. Interpretive repertoire as a concept is appropriate for this study because target company managers in particular describe early integration as a phenomenon which is new to them and happens as we are talking. They are evaluating managerial actions and events taking place in the immediate surroundings of their organisation. Taken together, the crafted repertoires portray the variability of language use during the ambiguous period of early integration. Variability can be interpreted with respect to different repertoires as well as the social context, in which they are generated. One of the most interesting findings is in fact the variability of repertoires and further, which repertoires are resorted to on the one hand by the acquirer and on the other by the target managers.

Interpretive repertoires were developed for studying people’s own understandings (Gilbert & Mulkay, 1984). In my study, I attempt to give voice to a variety of managers and their own
frame of reference. Built into the constructionist perspective is the assumption that an individual does not represent people and events consistently over time. According to Burr (2003), interpretive repertoires can be seen as a kind of culturally shared tool kit of resources for people to use for their own purposes. In this case, culture refers to both the national and organisational context and the use of language by managers. The functions that these repertoires perform for people are seen as generally enabling them to justify particular versions of events to excuse or validate their own behaviour, to reject criticism or otherwise allow them to maintain a credible stance in an interaction (Burr, 2003). Repertoires are considered a social resource available to all who share a language and a culture. One person may use different and apparently contradictory repertoires in their talk, depending on their moment-to-moment needs (Potter & Wetherell, 1995) at both non-intentional and intentional levels.

Integration management is a persistently interesting and relevant topic in the field of mergers and acquisitions. I suggest that there is room for more and diverse understanding in this area, as so many acquisitions either fail or lag behind in their objectives. By analysing interpretive repertoires and their use, in this study in managers’ talk, we can understand more about how managers construct their realities and deal with uncertainty during the messy early stages of integration. Further, discourse analysis is often said to engage in producing and sustaining dominant discourses in our reality. In my study, I see my contribution as bringing up local repertoires during a less researched phenomenon, early integration. In addition, when including the target organisation and managers on other than top manager level, I am contributing to the understanding of M&A by locating voices that are normally missed (see Phillips & Hardy, 2002 for ‘silenced voices’). In my study, managers were invited to construct versions of social realities in interviews. Next, I will discuss the interview context relevant for the discourse analysis.

### 3.2.3 Interview context

Discourse analysis is well suited for themes that are ambiguous and difficult to define, such as the control and integration management in this study. Fletcher and Plakoyiannaki (2011) propose that one way to select the unit of analysis for a case study is to pick a temporal unit – an episode or encounter, an event or a period of time. In this study, I concentrate on one acquisition. I made a decision to study the anatomy of one acquisition in depth, i.e. the social constructions of its managers, concentrating on the nuances. I found this essential for achieving the objective of the study, which is to understand social ‘realities’ instead of attempting to reveal the objective truths of integration management.

Discourse analyses generally focus on text material (text or talk produced by humans), which either occurs naturally or is generated. The main difference between these groups depends on the researchers’ own role, i.e. whether the material exists irrespective of the researcher or whether the researcher has been involved in generating the material. Siltaoja and Vehkaperä (2011) concur that although there are some issues with interview material, it lends itself to discourse analysis, especially that concerned with research questions focusing on local and situational contexts, such as the generation of managers’ interpretive repertoires during early integration in this study. Since the text for my analysis did not occur naturally, but was generated through interviews, there are issues that need to be reflected upon, such as the contexts.
Siltaoja and Vehkaperä (2011) argue that the research context takes shape according to the data used in the study. A choice must be made between natural and produced material. Naturally occurring data exist and emerge without intervention on the part of researchers, whereas produced data are created in interaction and through active participation by the researcher. In generating the primary data, I chose to conduct individual interviews and take part in producing material. The decision was based on the possibility of generating data, talk that was transcribed into interview text, from all managers on the same issues. The research aim is to reveal the meanings given by various managers to early integration, its management and control. I wanted to make sure that all managers were able to speak their minds freely during a sensitive period of change. For instance, in a focus group setting, managers have less time to express their own thoughts freely and candidly, as meanings are created jointly with other participants.

Talja (1999) argues that the aim of discourse analysis is to produce interpretations which are inherently macrosociological. This does not mean that the quantity of research data should be large. Talja (1999) suggests that even one interview may suffice to indicate what kinds of interpretations are possible. The labor-intensive discourse analysis is quite often performed on a relatively small amount of data, with the intention of providing a rigorous analysis (Koivunen, 2003). Analysing hundreds of pages of interview text is nevertheless a challenging task. Fewer words or pages should not be viewed as ‘less’, but as an opportunity to gain a greater depth of insight, more richness and novel explanations. Whereas the reliability and validity of quantitative studies rest on large datasets, the quality of discourse analytic study is presumably dependent on the richness of the generated data and its insightful analysis (the quality of this study will be discussed later in this chapter).

To consider the nature of the data generated in interviews, and the relation of the research to them, Alasuutari (1995) makes a distinction between the fact and specimen perspectives for understanding qualitative research. In the fact perspective, the researcher focuses on finding out ‘the one and only truth’, which is then described in the research report. In mainstream management research, interviews are often regarded as a method for generating objective data. The use of interviewing to obtain information is so extensive today that it has been suggested that we live in an “interview society” (Silverman, 1993). Interviewing is considered a basic method for data gathering that yields accurate results. Also, it is often assumed that the relation between the interviewer and the interviewee does not bias the account.

In the specimen perspective (Alasuutari, 1995) on qualitative research, which is an appropriate approach for the study at hand, the researcher engages in analysing and categorising the data to produce various interpretations. In the latter perspective, it is all about why the interviewees are saying what they are saying, what is their frame of reference and what constructions are produced by the talk. Also, the quality criteria are very different in the specimen perspective. Interview talk is analysed as linguistic expressions, not as facts. Consequently, the reliability of research results does not depend on the reliability of a person’s interview talk, since any talk, true or false, simply exists (Silverman, 1985). In the specimen perspective, no research data are considered in themselves more authentic, unbiased, or accurate descriptions of reality than any other. Interviews are not neutral tools for data gathering but rather active interaction between two or more people leading to negotiated, contextually based results (Fontana & Frey, 2005). The essence of this approach is captured already in the study setting, as my study specifically attempts to reveal the different versions or ‘reality’ of early integration that managers (want to) construct.
Siltaoja and Vehkaperä (2011) suggest that a discourse analyst should pay attention to the different levels of context in interviews (see Figure 4). The interview situation itself is an interaction, a process where the interviewer and the interviewee as social actors generate meanings about the phenomenon under study through a joint conversation.

In contrast to naturally occurring talk, I initiated material generation by inviting interviewees to talk (social interaction situation). I offered them a theme to talk about and also interacted in the conversation. Hence it is important on the one hand to consider how I, as an interviewer, have participated in generating material and meanings. On the other hand, the interaction context can also be extended to refer to broader social and institutional, macro contexts in which the material has been generated (see Figure 4).

As an interviewer, I have in practice taken part in the process of meaning generation in interview settings. I outlined a rough set of interview themes (see Appendix 1) that I wanted to cover in interviews. However, I attempted to let managers speak as freely as possible and gave them room to make sense of the situation. Understanding that my participation in the social construction of meanings in an interview situation was obvious, even employing my facial expressions and body language, I wanted the managers to generate as much of the interview text as possible. This means that I attempted to control my suggestions, additions or other intervention. My own role in data generation and the analysis process is discussed in the following section.

3.2.4 My own role

Siltaoja and Vehkaperä (2011) argue that if the discourse analysis is performed on interview material, the researcher needs to reflect her own position not only in producing the material, but throughout the research process. Reflection of the interaction context is important from two viewpoints: first, with respect to co-production of the material and the meanings and second, as the context involves also to the wider social and institutional context in which the interpreted material is produced. Contribution of the co-production setting to the results of
the study is discussed in Chapter 6. Discussion and conclusions. Generally, the co-production of meanings contribute to the results through an interview being an artificial, arranged data generation setting, instead of for instance naturally occurring talk. The co-produced data thus yields in this case local, context specific repertoires.

In constructing new discursive frameworks in research reports the researcher is a participant in interaction between the analysis and the interview texts. Here, the researcher needs to pay attention to interaction between her own subjectivity and the text, by analysing her personal experience, education and social status, which facilitate identification of specific issues in the text (Juhila 2006). However, the most notable interaction between the researcher and the text is the linguistic function. This refers to the researcher’s own voice, which can be detected in the question setting, interviews, description of methods and the ways in which she makes interpretations of the text (Juhila, 2006). Most importantly, the analysis must be based firmly on the text.

With respect to qualitative research and interviewing, I have a long history in both. During my researcher career at the business school I have taken part in several qualitative studies and acted as interviewer in a large number of interviews (>70) in several research projects. Hence by the time I engaged in the study at hand, I had gathered substantial experience in interview situations, which helped in planning the interviews and in managing the interview setting with confidence. This experience assumably also lent me credibility in the eyes of the interviewees. Having established a routine in interview situations, I was able to pay attention to the nuances of interaction and control my role.

Discourse analysis was my interpretation resource in this study. It guided me in looking at the interview text and the language used as an action constructing reality. There are, however, factors other than the selected interpretation resource that affect the analysis. The researcher is also a cultural actor. My background as a researcher of various international business phenomena for some 20 years laid the ground for my interpretations. In addition, having a broad understanding of M&A research and literature provides my analysis with an initial setting that I cannot avoid. However, as opposed to critical discourse/linguistic analysis the researcher usually begins the research from a selected viewpoint or framework, I started with a less predetermined approach. I am aware that mainstream models and traditional approaches to phenomenon guide my understanding as much as interest in new interpretations. Although such biases cannot be avoided, I am nevertheless aware of their impact on data generation and analysis. I adopted (or rather it has developed over time), a questioning outlook on the phenomenon. Such an outlook can be considered an analytical tool for the researcher. In my study, openness to the interpretations of the interview text was achieved through an analytical mindset that needs to be turned for 'discussion' with the text. On the other hand, when entering the interview setting, I had no first-hand experience of either early integration in organisations or in post-acquisition integration. I consider this open research position a desirable setting. (The practicalities of interviewing are discussed more in the section on data generation.)

Concerning the researcher’s role the discourse analyst is frequently seen as a craftsman (Koivunen, 2003), as the discourses are not waiting to be discovered in the material. The researcher is expected to be as open as possible to the data and the ways to analyse it. I have attempted to be as systematic as possible (see Section 3.3.8, Analysing data and crafting repertoires) and open to alternative interpretations and to consciously avoid being
specifically driven by any predetermined theoretical view or framework from existing literature. Naturally, as a researcher investigating previous literature I cannot be entirely free from the effect of scientific discourses or for instance the media discourses to which any interested newspaper reader is exposed.

3.3 The research context and process

In this section, I will discuss the research context and the research process. I will start by discussing the case selection and by introducing the acquisition case, more specifically the companies and the key individuals making the deal. I will also clarify some special circumstances around this acquisition. Then, I will turn to describing the research process, more specifically access to the companies and research participants, data generation, and finally the analysis, that is crafting of the interpretive repertoires.

3.3.1 Selection of the acquisition case

I heard about the on-going acquisition from a researcher colleague, the CFO of the seller side, who was aware of my interest in gaining access to an early phase post-acquisition for research data generation. Having been engaged on the seller side in the negotiations, my colleague was in a key position to gain access for me to the organisation during a busy phase. As I heard about the acquisition deal, I made a quick decision to seek access to the involved companies with the help of my colleague.

There were some conditions for the case that needed to be met. My intention was to contribute to our understanding of early integration dynamics and to reveal novel issues in integration management. I wanted to include both sides of the acquisition, the acquirer and the target, in order to build a more comprehensive analysis and also to give voice to the target managers’ meanings during the change. Also, I wanted to include managers on different levels, as there are more studies focusing on top management talk in interviews and surveys (e.g. Vaara, 2002) than there are multi-organisational level analyses. Here I was able to rely on the help of my colleague. He spread the word among the key people about me and my study; I believe that this convinced managers to participate in the research. As the commitment to the research was secured from the upper management of both acquirer and target organisations, I was also in a good position to access other managers. Such recommendations can build commitment on the issue, but can also be considered an obligation to participate. In the interview situation, however, interviewees did not show signs of reluctance, and, on the bright side, did on some occasions consider the interview a useful therapy session. Access to the companies obtained through the CFO of the seller side did not appear biased, while entry through the acquirer could have.

In my study design, access to an acquisition case in an early phase was a starting point. Hence, although I selected the acquisition case, it also selected me. Consequently, some research specific choices, such as collection of data, choice of language and the number of interviews have followed this decision (so-called chance factors) and also posed some limitations to the study. Bearing these in mind, with every interviewee I concentrated on doing my best to generate rich data during the early phase of integration, and succeeded in so doing.
3.3.2 The companies making the deal

Figure 5 illustrates the acquisition case by presenting the deal-making parties and describing the formation of the acquirer organisation in 2010 and 2012.

Figure 5. Formation of the Finnish acquirer organisation

The Norway-based Beta Group (here: the acquirer) is a company in a German industrial services group. The German multinational company had almost 60,000 employees and a turnover of several billion euros in 2010. It is one of the leading providers of services for industrial facilities, power plants and buildings.

Beta Oy is the Finnish subsidiary of Beta Group. It was formed in 2010 through acquisition of the Finnish company Omega Oy. At the time of the interviews, in 2012, Beta had over 2,000 employees in the Nordic countries and a turnover of 250 million euros. Omega Oy, which produced industrial mechanical plumbing services and was based in southern Finland, was acquired in 2010 by Beta Group to form the basis for the Beta Oy in Finland. Omega had offices in a few locations in Finland. Its turnover before the deal in 2009 was 12 million euros.

The Norwegian business segment of Beta Group, the regional headquarters of the German parent, was assigned the task of building a Nordic organisation for Beta Group. Consequently, international growth was sought through a series of acquisitions in the Nordic countries. In 2011, to further consolidate its operations in Finland, Beta Group, operating through its Norway-based business segment and its acquisition team, acquired Alpha (here: the target).

Alpha was a separate business unit specialising in industrial services inside Alpha Group. Its core competences were in automation, electrical and instrumentation contracting services. The seller, Alpha Group, on the other hand, specialised in building services contracting, property and renovation services, and considered industrial services an outlier in its business portfolio. Its turnover in 2010 was 207 million euros. It had been searching for a buyer for the very profitable Alpha business unit for a number of years. Industrial services were the
core business of the acquirer and the business unit seemed like the right choice for the acquirer in attempting to establish its position in the Finnish market. Alpha business unit had a turnover of 22 million euros and staff of 220 people. After the deal in 2012, the joint turnover was 40 million euros. The acquisition more than tripled Beta Oy’s business and brought eight locations into Beta Oy’s geographical reach.

Alpha Group continued its operations within the Finnish family-owned Epsilon Group, which also operates another large business area under the name Delta Group. Delta Oy is the leading supplier of materials services in the Baltic region. In 2014, Delta had a turnover of over 1,000 million euros.

3.3.3 Key individuals making the deal

The negotiations were started in June 2011, as the seller Alpha Group offered its Alpha business unit for sale to Beta Group in Norway. The negotiations were carried out between a team from the Norwegian acquirer and Alpha Group, the Finnish seller. The Norwegian team included the vice president of Beta Business unit Finland, Denmark and Iceland and the Group’s chief financial officer and the chief executive officer. The Finnish team comprised the vice president (or managing director) of Alpha, and the CEO and CFO of Alpha Group. Although the Norwegian team was the initiator and negotiator in the deal, operational responsibility was soon handed over to the Finnish subsidiary.

The negotiations took over some six months from the initiation to the official closing. A letter of intent was signed in October 2011, when the deal was also announced to some of the target unit’s key managers. The vice president of the business units in Finland, Denmark and Iceland became the integration leader. He did not have a long history in the acquirer organisation, but had experience in carrying out acquisition processes in other large multinationals. He had already been acquiring and integrating companies for the acquirer in the other Nordic countries. From the Alpha negotiation team, the vice president (or managing director) of Alpha was the only one who transferred to the newly formed company.

3.3.4 The special circumstances around the acquisition

Special to the deal was that the target was not a corporate entity on its own, but an independent business unit operating within Alpha Group. The acquisition was an asset deal, and the business unit was separated from the seller. In practical terms, this meant that no administrative personnel were transferred from the seller to acquirer. The deal involved at large only managerial and operational personnel. This eventually caused a great deal of trouble for the acquirer organisation in Finland, which lacked sufficient administrative and managerial personnel to handle the demands of early integration.

Another special feature in this deal was that the acquisition was made by a Norwegian holding company, a regional headquarters of the German parent company. The Norwegian regional headquarters carried out an internationalisation strategy in the Nordic countries and was to acquire local subsidiaries in all of them. A Norwegian management group took care of the prospect identification, negotiation and deal-making for the acquisition. It was also officially responsible for the Finnish integration.
The target unit was integrated into the Finnish subsidiary, Beta Oy. The organisation of Beta Oy was relatively thin; there were some 50 employees, a few payroll operating people and a few managers. The managers of Beta Oy were not involved in the negotiations. Surprisingly, just a few weeks before the deal was closed, the managing director of Beta Oy resigned. Beta Oy appointed a new managing director within the organisation. The new managing director was not only new to Beta Oy, but also lacked a long history in Omega, the previously acquired company. He had entered the organisation a couple of months before his appointment as managing director and consequently had even less knowledge of the acquisition and its negotiation than the managing director who resigned. Such changes in management during a significant change process inevitably complicate circumstances.

In contrast to what was anticipated, the German dimension of the deal was not much discussed with the interviewees. I had expected that the German parent would have played a larger role in the interviews with the managers. However, the interviewees only occasionally mentioned the parent. In fact, the Finnish managers did not bring up the German parent up in their talk until the second interview round. It will become clear in the empirical part of this study, that whereas the target unit is acquired officially by a German group, integration takes place on the Nordic level and in Finland.

### 3.3.5 Accessing the companies and research participants

The deal had been made and the integration started on 2 January, 2012. I contacted the Norwegian integration leader in January 2012, only a couple of weeks after the deal had been closed to agree on the first interview with him. In this interview I received approval for approaching other key people. The connection to the CFO of the seller (my colleague) and consequently also to the target side of the acquisition played a key role in gaining good access to the target company managers. The managing director of the target company, who had been active in negotiation, was helpful in gaining access to the middle and project managers in the target organisation. All these helpful managers recommended me to the interviewees, and also picked out the people on both sides of the acquisition who they knew would be able to provide rich descriptions of the ongoing change process. The target's managing director appeared to be highly respected by the target managers; one could call him a key figure in the unit, even an opinion leader.

![Figure 6. Interviewees during early integration](image-url)
The people interviewed during the first round comprise the key actors of the integration and the change in this particular acquisition case. The research participants are shown in Figure 6. In coding, A or T indicates for acquirer (A) or target (T) manager. The number signifies the order of the interviews (1-5). The interviewees form an all-male panel, which, however, is not unusual in this business field. I was able to access all the people in key positions in the integration. It was obvious that during this kind of a demanding and busy change phase, obtaining this much time and attention from managers can be difficult. In this case, gaining access to people was easy, since we had been introduced beforehand. In other words, I did not have to consider any refusals on the part of the interviewees. All the key informants were willing to talk.

To initiate the contact in practice, I contacted suggested managers first with a short email explaining my affiliation and my doctoral study on post-acquisition integration, for which I wanted to generate data with individual interviews. People responded positively to my inquiries. When making the first contact, I explained that I was interested in managers’ own opinions about the ongoing integration, and that I was an independent doctoral student, not affiliated with anybody else in the organisations. I did, however, explain the connection to my colleague, the CFO of the seller side.

Before conducting the interviews I collected background information on the acquirer, the seller and the target unit. In practice, the material was limited to company presentations on the Internet. In addition to the publicly available material, my colleague explained the basics of the seller company and the target organisation for some insight into the acquisition negotiations. To back up the interview situation, I followed an interview framework (Appendix 1) that listed the relevant issues to be covered. However, this list was for my own use only.

Also, before entering the interview situation, a decision had to be made about the interview language. I opted for generating a multilingual dataset, with some interviews in Finnish and some in English. I was the only person collecting the data, and I chose to use the language that was the most natural common language with each particular manager. With the Norwegians, the language was English, as I do not speak Norwegian. I did not trust my understanding of Scandinaviska (which combines features of all four Scandinavian languages), even though I do speak relatively fluent Swedish. The Norwegian managers were fluent in English and were used to working and expressing their feeling in English. The Finnish managers on the other hand, were not all fluent in English. More importantly, it was important that they could talk as freely as possible in their own native language.

### 3.3.6 Generating data – the early integration interviews

Figure 7 illustrates the integration process and the timing of the interviews. I met with the managers during the first six months after the deal was made. Most of them were interviewed during the so-called critical 100 days of integration.
Table 5 below lists details of the early integration interviews. The first manager I met was the Norwegian integration leader. I met him and all other participants either in hotel lobbies or in their own offices for convenient locations. I attempted once again to give a brief account of my background again and the research setting. The interviewees were prepared to talk about the integration; no-one openly questioned my reasons or my motives. I explained, however, that I was not conducting research or attempting to reveal opinions for the benefit of the acquirer. I found that explaining my own affiliation, not with the acquirer but rather with the target side CFO, was a key to opening up the interview setting, as some managers considered me a consultant attempting to resolve integration issues. I can only speculate whether I was able to convince the interviewees.

<table>
<thead>
<tr>
<th>Manager’s position in the acquisition</th>
<th>Unit</th>
<th>Position in organization</th>
<th>Interview date</th>
<th>Interview language</th>
<th>Duration of interview (in minutes)</th>
<th>Literary transcription (number of pages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negotiation team, integration team</td>
<td>Beta Nor (RHQ)</td>
<td>Integration leader, CEO</td>
<td>Feb 1, 2012</td>
<td>English</td>
<td>120</td>
<td>70</td>
</tr>
<tr>
<td>Integration team</td>
<td>Beta Nor (RHQ)</td>
<td>CFO</td>
<td>Jun 20, 2012</td>
<td>English</td>
<td>62</td>
<td>17</td>
</tr>
<tr>
<td>Finnish acquirer HQ</td>
<td>Beta Oy</td>
<td>Managing Director</td>
<td>Mar 15, 2012</td>
<td>Finnish</td>
<td>80</td>
<td>34</td>
</tr>
<tr>
<td>Finnish acquirer HQ</td>
<td>Beta Oy</td>
<td>HSEQ, manager</td>
<td>Mar 15, 2012</td>
<td>Finnish</td>
<td>91</td>
<td>29</td>
</tr>
<tr>
<td>Target unit</td>
<td>Alpha</td>
<td>Business development manager</td>
<td>Mar 16, 2012</td>
<td>Finnish</td>
<td>175</td>
<td>56</td>
</tr>
<tr>
<td>Target unit</td>
<td>Alpha</td>
<td>Business unit manager</td>
<td>Mar 27, 2012</td>
<td>Finnish</td>
<td>73</td>
<td>19</td>
</tr>
<tr>
<td>Target unit</td>
<td>Alpha</td>
<td>Business Unit Manager</td>
<td>Mar 28, 2012</td>
<td>Finnish</td>
<td>60</td>
<td>26</td>
</tr>
<tr>
<td>Target unit</td>
<td>Alpha</td>
<td>Project Manager</td>
<td>Mar 27, 2012</td>
<td>Finnish</td>
<td>56</td>
<td>28</td>
</tr>
<tr>
<td>Target unit</td>
<td>Alpha</td>
<td>Project Manager, Main Shop Steward</td>
<td>Jun 18, 2012</td>
<td>Finnish</td>
<td>75</td>
<td>24</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>792</strong></td>
<td><strong>303</strong></td>
</tr>
</tbody>
</table>

Table 5. Early integration interviews
Personal backgrounds, acquisition and integration processes and issues specific to the target company were the main themes of the interviews. I began creating an understanding of role of the managers and their experience in general and in acquisitions in particular with their personal backgrounds. This theme, like many others, was introduced along the lines of the following: "first, I would like to hear about your background – in the company, your education and so forth..." I left the ending open to allow the manager to start talking. I wanted to open the discussion with an easy and pleasant topic and encourage the managers to get into a freely flowing conversation mode.

In the event managers were likely to have knowledge of the negotiations and the motivation behind them, I suggested that they tell me about the acquisition process after discussing their personal backgrounds. The main part of the conversation was, however, about the ongoing integration. Managers raised issues in their own frame of reference and I urged them to tell more about them. I asked about their own role in the process to keep the discussion interesting to them. Although many managers did in fact take up both positive and negative aspects, most concentrated on the challenges. I encouraged them to explain more. I had prepared a framework for myself to ensure that all discussions would follow an overall logic. The interview framework (Appendix 1) was used flexibly as a tick list to make sure all relevant topics were covered.

My own role as an interviewer seemed relatively natural. I feel I succeeded in creating an atmosphere of trust and openness with most of the interviewees. As opposed to naturally occurring material, interviews enable intervention by the interviewer. In interviews where discourse analysis is used interviewers are seen as active participants and co-authors (Søderberg, 2006). It is therefore important that researchers reflect on their own role in meaning-making. They have several ways to monitor their behaviour and actions in meaning-making. Being interested in the managers’ own meanings, I monitored my own role carefully so that I would not lead the creation of meaning, but only the conversation. In contrast to standardised interviews, I attempted to ask only a few questions to set the scene. In fact, the managers had a serious need to explain their views. I did not have to urge many of them. Most of the time I was listening and asking clarifying questions intended to stimulate and encourage talk and meaning-making.

I also felt that as a female interviewer, younger than the interviewees, I probably did not pose a threat to the male managers. To encourage them, I assumed the role of an attentive listener and empathetic interviewer. Further, I wanted to portray the image of a business school student, not an in-house spy. Nevertheless, some suspicion was evident (and also voiced, however only on the second round), especially among the middle managers. Although it was apparent that the integration leader was experienced in professional communications, he did talk openly at times, for instance when describing the behaviour and cultural traits of Finns. It is probable that I was sometimes able to build non-culturally bound rapport, as an English-speaking Scandinavian, knowledgeable and interested in M&A processes, and also empathetic with respect to the situation faced by top management. Many managers talked in an open and trusting way, at times generating very rich and candid text. Apparently due to the more or less confusing change period, they were willing to talk a lot. Managers (especially target managers) did not either need to be urged to bring up challenges.

The issues taken up by the managers took place as we spoke. They did not have to recollect, which also helped in making the talk rich. Some admitted that being able to talk about the
ongoing situation to somebody interested was their main motivation for taking part. I was considered a therapist during a messy change period. It felt as if they were confiding in me, as I showed interest in their current situation. Only a minority of the managers had to be pushed somewhat with questions; on the whole the conversation flowed readily. The Finnish managers were in a good position to express themselves in their native language in a varied and unrestrained manner (see Marschan-Piekkari & Reis, 2004).

Having interviewed all the nine managers who had been recommended to me, it was time for the first field exit. After the interviews I asked about the possibility of making contact again to agree on a follow-up interview after some time had passed and the changes were more evident. Relatively soon, a couple of months after the first round of interviews, I received a question in an email requesting information about the potential outcomes of the research, and when a research report would be available. It became obvious that managers expected my research to yield fast results for their practical integration challenges, even though I had explained that the outcome is a rather theoretical doctoral thesis. In the first interviews I promised to send a version to the Finnish headquarters to be reviewed before publishing. I had explained to all participants that their names would not be published and their talk could not be directly connected to their identity.

### 3.3.7 Generating data - the follow-up interviews

The second round was to take place more than a year after the first interviews. I allowed time to pass so that the structural changes could be implemented in the organisation. Figure 8 illustrates the integration process and the second round of interviews.

![Figure 8. The integration process and the timing of both interview rounds](image)

For the second round, I was able to reach and interview three managers out of the earlier nine. I made four interviews. I attempted to contact all previously interviewed managers. Details of the interviewees are listed in Table 6. I was able to interview two acquirer managers, one of whom had been interviewed on the first round. The other manager had entered the company after the acting Norwegian CFO had completed his integration tasks in Finland. In addition, I was able to re-interview two target managers.

It is not unusual in research settings that not all interviewees take part in the follow-up round. I was not able to contact several managers. First of all, the integration leader from Norway had already resigned from the company in spring 2012. The CFO from Norway could not be
reached. The Finnish manager for health, safety, environment and quality (HSEQ) had recently resigned from the company. The other business unit manager did not return my calls and did not answer my emails. The first of the project managers had retired and the other had left the company in 2013. Thus three of the previously interviewed managers could be reached. It was suggested that I interview the new Finnish CFO (manager A5) and I accepted the offer. The three managers already interviewed were certainly in key positions in the integration process. Since the follow-up round was not as comprehensive as the first round, the analysis is somewhat limited in applicability and extent. However, conclusions can be made by comparing the repertoires and themes of the first round of those interviewees with the follow-up interviews.

<table>
<thead>
<tr>
<th>Manager's position in the acquisition</th>
<th>Unit</th>
<th>Position</th>
<th>Interview date (or the reason for not interviewing)</th>
<th>Interview language</th>
<th>Duration of interview (in minutes)</th>
<th>Literary transcription (number of pages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negotiation team, Integration team</td>
<td>Beta Nor (RHQ)</td>
<td>-</td>
<td>Resigned from Beta in May 2012</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Integration team</td>
<td>Beta Nor (RHQ)</td>
<td>CFO</td>
<td>Relocated to Norway in 2012</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finnish acquirer HQ</td>
<td>Beta Oy</td>
<td>Managing Director</td>
<td>Jun 11, 2013</td>
<td>Finnish</td>
<td>48</td>
<td>18</td>
</tr>
<tr>
<td>Finnish acquirer HQ</td>
<td>Beta Oy</td>
<td>-</td>
<td>Resigned from Beta Oy in 2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finnish acquirer HQ</td>
<td>Beta Oy</td>
<td>CFO (*new, not a repeat interview)</td>
<td>Sep 25, 2013</td>
<td>Finnish</td>
<td>48</td>
<td>13</td>
</tr>
<tr>
<td>Target unit</td>
<td>Alpha</td>
<td>Business Development Manager, Sales and Marketing</td>
<td>Sep 25, 2013</td>
<td>Finnish</td>
<td>84</td>
<td>36</td>
</tr>
<tr>
<td>Target unit</td>
<td>Alpha</td>
<td>Business Unit Manager</td>
<td>Oct 1, 2013</td>
<td>Finnish</td>
<td>72</td>
<td>19</td>
</tr>
<tr>
<td>Target unit</td>
<td>Alpha</td>
<td>-</td>
<td>Not able to contact</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target unit</td>
<td>Alpha</td>
<td>-</td>
<td>Resigned Beta Oy in 2013</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target unit</td>
<td>Alpha</td>
<td>-</td>
<td>Was not able to contact, retired</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>252</td>
<td>86</td>
</tr>
<tr>
<td>Total Rounds 1 and 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1044</td>
<td>389</td>
</tr>
</tbody>
</table>

Table 6. Follow-up interviews

As I returned to the interviewees for a second interview, I attempted to take advantage of the rapport made during the first get-together. Of the interviewees, a business unit manager admitted his suspicions and somewhat closed attitude on the first round. On the second round he talked much more openly about the integration issues and especially the challenges. The company had also changed its name to match that of the German parent group. The market had also taken a change for worse. At the time of the interview with the first acquirer manager, the company was conducting redundancy negotiations (in Finnish YT-neuvottelut). After the interview, the interviewee announced that they had been forced to let go two managers appointed to headquarters only one year before.
3.3.8 Analysing data and crafting repertoires

Having completed the first round of interviews, it was time to recall the interview experience and start going through the generated data. The digital recordings of the interviews were to be transcribed into interview text. Having been involved myself in generating the data, and being its ‘owner’ and co-producer, I decided to outsource the literal transcription. I did not feel I would miss out on anything if I did not do the transcribing myself. I would be able to read the interview text over and over later on. I had applied for a grant specifically for data gathering purposes and wanted to take advantage of it. The transcription decision was also based on my lack of expertise in transcribing interview recordings into text specifically suitable for text analysis. I did not want to underestimate the importance and difficulty of this task and therefore resorted to the expertise of a transcribing firm. Having printed out all the pages, I started reading through the transcribed interview texts and making notes in the margins. The first round of interviews yielded 303 pages of transcribed talk and the second round 86 pages (see Tables 5 and 6 for details of interviews).

The interview data were analysed manually. I understood that this was a time-consuming choice, but I took the analysis as a challenge. Multiple readings enabled me to identify passages that were relevant to the topic. Although the interviews dealt mostly with early integration, interviewees also explained issues not related to the topic of the study. Certain themes appeared repeatedly during the process of reading and doing the preliminary coding from the managers’ talk from the first round. Coding was done with a pen and colour markers. The idea behind the coding was to organise and squeeze a heavy body of raw data into manageable chunks preparing the data for much more intensive study. Instead of concentrating on exclusion of material, Potter and Wetherell (1987) emphasise the inclusive nature of the coding process. Hence the process of coding proved not only time-consuming but also a crucial primary task. After the first readings I narrowed the amount of data down to 184 pages (Round 1) and 83 pages (Round 2), altogether 267 pages.

Themes derived during readings of the text and episodes in it where early integration themes were constructed were selected for the analysis. I made the decisions on narrowing the data based on the talk and identified eight initial themes (see Table 7 for detailed subthemes). I identified parts of the talk that represented integration management and control issues. This is where familiarity with previous literature had a role. The initial data-driven themes based on the interview talk included managerial actions during integration, expectations and needs related to the integration, the roles of various actors, cultural issues, special circumstances, and orientation towards the future (see Table 7).

At this point in the analysis, the themes were on a concrete level, based on direct quotations from the interviewees. I did some further rounds of reading with these data, making notes and using color markers for coding. At this point, the various interviews were still treated separately and in their original language in order to preserve their exact meanings in the analysis. As a result of theme identification and multiple readings of the texts, some themes were combined and others dropped from the later analysis. All pages of the transcripts were coded and those containing relevant instances were selected and placed into a file of their own.
### Table 7. Initial themes identified from the empirical material

<table>
<thead>
<tr>
<th>Initial themes</th>
<th>Subthemes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquirer’s managerial actions during takeover</td>
<td>Managerial behavior&lt;br&gt;Management of takeover&lt;br&gt;Managerial expectations&lt;br&gt;Managerial attention&lt;br&gt;Integration team’s presence in Finland&lt;br&gt;Introducing new strategy, vision, goals&lt;br&gt;Acquirer’s goals&lt;br&gt;Finnish organization’s strategy and goals&lt;br&gt;Integration changes</td>
</tr>
<tr>
<td>Expectations and needs of the target</td>
<td>Expectations of target&lt;br&gt;Employee satisfaction&lt;br&gt;Needs of target&lt;br&gt;Target’s expectations vs reality&lt;br&gt;Disagreements between integration team vs Finnish organization</td>
</tr>
<tr>
<td>Challenges and problems during takeover</td>
<td>HR issues&lt;br&gt;Managerial resources&lt;br&gt;Payroll issues&lt;br&gt;Language issues&lt;br&gt;Communication issues&lt;br&gt;Safety and quality issues&lt;br&gt;Planning and preparation of integration&lt;br&gt;Customers&lt;br&gt;Support from acquirer&lt;br&gt;Challenges and surprises in takeover</td>
</tr>
<tr>
<td>Control exercised during takeover</td>
<td>Financial control&lt;br&gt;Cultural control&lt;br&gt;Informal control&lt;br&gt;Taking control/ takeover&lt;br&gt;Target autonomy</td>
</tr>
<tr>
<td>Roles of different actors</td>
<td>Key actors in takeover&lt;br&gt;Interviewee’s own role in takeover&lt;br&gt;Acquirer’s role in takeover&lt;br&gt;MD’s role&lt;br&gt;Integration leader’s role&lt;br&gt;Role of target’s business units</td>
</tr>
<tr>
<td>Cultural issues</td>
<td>Organizational cultures&lt;br&gt;National cultures</td>
</tr>
<tr>
<td>Special circumstances</td>
<td>Size difference between the acquirer and target&lt;br&gt;Power&lt;br&gt;Circumstances of acquiring a business unit</td>
</tr>
<tr>
<td>Planning for future</td>
<td>Future&lt;br&gt;New organisational structure&lt;br&gt;Learning from integration</td>
</tr>
</tbody>
</table>

I continued to work with the data, because the analysis evolved with every round of reading. I found that the analysis process is one of trial and error. Next, I decided to arrange the selected data into tables. I attempted to identify potential repertoires, literary statements, figures of speech, metaphors and idioms. Tables also included notes on themes, objects and subjects in the text. The task was time-consuming but made the analysis more concrete and systematic. The tables were prepared separately for rounds 1 and 2 and documented in Microsoft Word. The table for the first round comprises 68 pages and the table for the second round 41 pages. I still filed the interview text based on the interviewee in question, but at this point I translated the talk into English on the part of those interviewees with whom I had conducted the interview in Finnish (all but two). I started using colour code for different interviewees in the tables. After the tables were ready for the next round of analysis, they were used as a systematic tool to go through the labels/themes thoroughly and later to craft the repertoires.
My ability to translate Finnish into English is based on studies in English language translation and interpretation at the University of Joensuu, Institute of Translation Studies, in Savonlinna, Finland in the mid 1990s. I endeavoured to preserve the original meanings in the translations. To convey original ideas, I have sometimes included the Finnish original version of the idiom or saying or explained the background. Some expressions can be highly culture-contingent on the national, business field or organisational level. Explanations were mainly needed for cultural expressions on the national cultural level. My own presence in the interview situation facilitated translation.

Researchers play an active role in constructing repertoires, moving around the data, reading the text, and working with ideas and themes. Themes acted as a form of analytical tool in constructing the repertoires, which is rather intuitive, but also systematic process. In other words, I moved from a concrete to a more conceptual level. During the rounds of reading the text, concepts, terms, expressions, figures of speech and metaphors across certain themes appeared to signal a specific way of portraying early integration, i.e. constructing a repertoire. Whereas the crafting of repertoires is based on the managers’ use of language (the text dimension of discourse analysis), the themes elaborate the inner logic of the repertoire and also the integration case. Descriptions of the themes are based not only on the language used, but also on my understanding of M&A integration issues and on the case in question (the context dimension of discourse analysis). Description of the themes (in Chapter 4) is considered an empirical contribution in this thesis, and a meaningful addition to the text analysis. It therefore moves the discourse analysis in question from a purely linguistic analysis towards a more interpretive approach, to the meso level of discourse analysis.

The analysis involved generation of tentative repertoires that were revised several times. Also, the contents of repertoires and their names varied during the analysis process and reached their final form in the final stages of rewriting the thesis. Throughout the analysis process until the final stages of rewriting the manuscript, I, as a researcher, engaged in critical self-reflection on my own role and my own interpretation of the results. The construction of each repertoire is described separately in the analysis in the following chapter. Together, these repertoires represent the resources that managers resorted to when constructing early integration of an acquisition.

I was able to identify six interpretive repertoires in the early integration interview text (see Figure 9) and two new interpretive repertoires (Learning repertoire and Resistance repertoire) constructing realities of integration in the follow-up interview text. All repertoires are discussed in detail in the following chapter (see Table 8 for repertoires and themes). Themes were not identified for the follow-up round of repertoires, as the emphasis in this study was on the early integration repertoires, and the follow-up round served as a comparison point.
The analysis process was not linear, as I went back and forward with the data, combining themes and testing repertoires and their logic in different attempts. By concentrating on a relatively small number of interviews, I became deeply immersed in the data. I was also able to deal with smaller details and have a profound understanding of the context. In fact, in carrying out a discourse analysis it is not unusual that there is too much data in the first place and it has to be reduced. In making such a profound analysis of talk, it is not the amount of data that counts, but the richness and quality of the data, the quotes, variations and the quality of the analysis. In this study I have paid attention to the profundness of the analysis in identifying the themes and creating meaningful and representative repertoires of this particular acquisition. In the following section, I will discuss the basis for evaluating the quality of the discourse analysis, and apply this to my study.

3.4 Evaluating the discourse analysis

In the present kind of social constructionist research, the researcher is actively involved in creating results. The findings do not arise from the data; they are created. In social constructionism the issue of subjectivity vs. objectivity is irrelevant (or non-existent). All human activity and reality are considered subjective. To overcome the critique of this philosophical stance, some scholars (e.g. Potter & Wetherell, 1987; Breuer & Roth, 2003) have proposed ways of systematising methodological considerations and procedures in the research process, beginning with the identification of a research topic and ending with the final presentation of the results. I adopted this idea and to address the questions of quality, I have attempted to build a transparent and systematic description of my research process.
Talja (1999) suggests that the reliability of findings depends on the verifiability of the researcher’s interpretations. The interpretations must be based on the research data in a consistent and identifiable way. In discourse analysis, extracts from the texts are the object of research and a necessary basis for the researcher’s argumentation in the research report; they also provide evidence of the researcher’s interpretations (Potter & Wetherell, 1987). I have based my interpretations on literally transcribed interview text and quotes from it that have been carried throughout the analysis. Quotes and meanings are the basis for any interpretation in all my analyses. The research process has been documented adequately in this chapter and I would argue that the documentation is extensive. In addition, to increase their reliability, the data have been digitally recorded and reliably transcribed verbatim. The few unclear seconds in the interview text could be explained through my own understanding of the context.

Authenticity rather than reliability is often the issue in qualitative research. The aim is usually to gather an ‘authentic’ understanding of people’s experiences. Often interview studies in management attempt to reveal the opinions of interviewees ex-post. In M&A integration studies this usually means recalling events some years after the integration phase. This fact unavoidably affects the meanings interviewees give to issues. Also, there is a potential for romanticising and reinterpreting past events. In my study, I interviewed managers as early integration was taking place, thus giving less weight to their memory and more to their current social constructions. In a study concentrating on the social constructions of early integration, we can assume that the concurrent timing of the interviews enhances the quality of the data.

More than the reliability, there is a need here to discuss the validity of the research. Potter & Wetherell (1987) present four main techniques specifically for validating discourse analysis: coherence, participants’ orientation, new problems and fruitfulness. These are discussed in the following. First, Potter and Wetherell (1987) argue that a set of analytic claims should give coherence to a body of discourse. Analysis should let us see how the discourse fits together. Apparent exceptions to the analytic scheme are particularly relevant to assessment of coherence. Cases that lie outside the explanatory framework are presumably almost always more informative than those that lie within, often bringing up important problems (Potter & Wetherell, 1987). In discussing the themes and discourses I have attempted to describe the formation and alignment of the themes and their connectedness to the best of my ability. Discussion of themes also aims at providing the reader a more in-depth description of the ambiguities involved in this early integration.

Second, checking the orientation in interviews is helped by conversation-like organisation of talk. In practice, the talk was often sense-making by nature; this was also stated by the managers themselves. For some themes they created contradictory accounts and meanings. It became obvious to me that early integration was relatively chaotic for the organisation. Hence the meanings given to issues were sometimes very ambiguous, ranging from the positive to the negative in following meanings. It was desirable that all meanings were voiced, even when they were illogical. It was my task to combine all the meanings, positive, negative, logical and contradictory into consistent repertoires.

Third, the creation of new problems refers to the ability and disability of discourse use for every occasion. Potter & Wetherell (1987) present an example of two discourses used separately. They are serviceable for certain tasks, but create problems on their own,
especially when used together. The existence of new problems and solutions therefore provides further confirmation that the linguistic resources are being used as suggested. The existence of new solutions acts as a validity check on the existence of the primary system (Potter & Wetherell, 1987). In this research, I identify interpretive repertoires and explicate the use of different repertoires in the managers’ accounts and the consequences of their use in Chapters 5 and 6. I will provide a discussion on the interplay of the repertoires, presenting illustrations of accounts and the order of dominant and alternative repertoires. This discussion indicates that some repertoires are more problematic in use than others.

The fourth criterion of validity, fruitfulness, is considered the most powerful in many ways (Potter & Wetherell, 1987). It refers to the scope of an analytic scheme for making sense of new kinds of discourse and creating novel explanations. It raises the issue of the general criterion of validity for any scientific explanation; we give them more respect if they are capable of generating fresh solutions to the problems in a field of research (Potter & Wetherell, 1987). This discourse analytic study focuses on the early integration phase of post-acquisition integration, with a focus on control, which to my knowledge has not been done before. Further, whereas the mainstream of M&A integration studies adopt a managerial or acquirer perspective, the present study presents interpretive repertoires identified in both acquirer and target managers’ talk. Thus we are able to get a glimpse into the socially constructed reality of both the manager groups during this uncertain time.

In sum, I suggest that this discussion has covered and reflected upon the main principles for ensuring the quality of discourse analysis suggested by Siltaoja and Vehkaperä (2011). In this chapter, I have discussed my view on the concept of interpretive repertoire, the applied approach to discourse analysis, and the adopted level of analysis. I have provided a thorough description of the research process and context and my own role in it. Finally, I have attempted to describe the progress of the analysis process. I will next turn to discussing the outcome of this analysis process, namely the identified interpretive repertoires.
4. Repertoires of early integration and integration

In this chapter, I will present an analysis of interview talk by the managers on early integration and the follow-up interview talk. First, I will present six interpretive repertoires and 16 themes identified from the interview text. Table 8 summarises the repertoires and their contents. The managers resorted to use of the following repertoires when constructing accounts of early integration:

1. Control
2. Autonomy
3. Cultural
4. Expectation
5. Survival
6. Professional

All of these repertoires build on many themes listed in Table 8. In all, 13 interviews were analysed, nine of which were conducted during early integration and four more than a year after the acquisition deal. The follow-up interview text was analysed separately to identify which repertoires were still in use. The analysis also identifies two new repertoires of integration from the follow-up interview text, namely repertoires portraying integration in terms of the following:

7. Resistance
8. Learning

As explained in the Methodology chapter, interviews were conducted with the acquirer and the target managers. From the acquirer organisation I interviewed two Norwegian members of the integration team, the Finnish managing director, and the Health, Safety, Environment and Quality (HSEQ) Manager from the Finnish acquirer headquarters. From the target organisation I interviewed the former managing director, two business unit managers and two project managers. In the analysis I treated text generated by Norwegians and Finns, acquirer and target managers, integration team members and headquarter managers, business unit managers and project managers and finally upper and lower management. To protect the interviewees’ identity in the citations, however, a distinction was made only between acquirer managers and target managers.

4.1 The managers’ repertoires of early integration

Table 8 summarises the early integration repertoires identified. It also sums up the themes and captures the essence of each interpretive repertoire. The repertoires are presented in the following subsections individually and include descriptions of the sayings, phrases and metaphors on which they are based. Although the analysis was made on the text level when identifying the interpretive repertoires, there was a shift from text level towards context level when it moved on to describing the themes. The themes were discussed to elaborate on the context, which is important when analysing situational use of language in local encounters of
early integration. They also provided further illustration of a messy process of early integration and refer to important issues that managers chose to take up in the interviews.

<table>
<thead>
<tr>
<th>Interpretive repertoire of early integration</th>
<th>Themes</th>
<th>Essence of the interpretive repertoire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control</td>
<td>Best practices Control mechanisms</td>
<td>Using this repertoire the managers portrayed early integration as a time of establishing control. It is constructed on managers’ rational and legitimate understanding of the transfer of the ownership, i.e. the shift of authority and consequent responsibility.</td>
</tr>
<tr>
<td>Autonomy</td>
<td>Business as usual Grip</td>
<td>With this repertoire the managers depicted the early integration as a time of continuing business as before the acquisition. Essentially, the repertoire addresses the early integration as a phase for handing out control of ongoing business to the target.</td>
</tr>
<tr>
<td>Cultural</td>
<td>National culture Listening and learning team-work and communicating Language</td>
<td>Cultural sensemaking repertoire portrays early integration as a time of making sense of the change and ‘the other’. The descriptions emphasise differences and distinctions highlighting the separateness of the acquisition parties, and even cultural superiority.</td>
</tr>
<tr>
<td>Expectation</td>
<td>Talking the talk Prospects Communication Time</td>
<td>This repertoire represents early integration as a time for fulfilling expectations that were created/ aroused during the deal-making phase. In their accounts, the managers built large gaps between the deal-making talk and the outcomes of early integration. The repertoire was essentially built on the managers’ ideal of deal-making and partnering.</td>
</tr>
<tr>
<td>Survival</td>
<td>Circumstances Scarcity of resources Bad management</td>
<td>Early integration was portrayed as a disorganised phase, with unpredictable circumstances, a lack of resources and bad managerial actions. The repertoire constructs early integration as a period in which the managers were not in control and were dealing with chaos. Accordingly, the managers reacted rather than managed during early integration.</td>
</tr>
<tr>
<td>Professional</td>
<td>Pride</td>
<td>Portrays integration as a time for coping through personal and organisational professionalism. The repertoire was based on the managers’ personal traits and organisational heritage. The managers portrayed themselves as active partners who were doing their best in the situation.</td>
</tr>
</tbody>
</table>

Table 8. The essence of early integration repertoires

Table 9 below illustrates the involvement of managers in producing the themes. The purpose of this table was to illustrate the shared nature of the themes and repertoires. All manager groups (Norwegian acquirer managers – Finnish acquirer managers – target managers) were involved in constructing all repertoires, even though some themes may have been identified only among target managers, for instance. As an example, the autonomy repertoire (see Table 8) is further illustrated in the themes business as usual and grip, used here to mean the control exerted by the acquirer during early integration. Whereas the theme business as usual involves all manager groups, the theme grip builds upon only target managers’ talk. This is because the themes illustrate the two sides of the autonomy repertoire. In Table 9 ‘x’ means that the theme was identified from the manager group.
4.1.1 The control repertoire

EXAMPLE 1: The business, change, it is very important to follow up from, from our group in the start-up phase, because it’s a lot of information that should be put out there and communicated in the right way. (manager A4)

EXAMPLE 2: The Norwegian CEO follows us closely, two days a week here. The CFO in Finland is also from Norway. He is here five days a week. Of course we need proper reporting. Germany needs to know how integration is going and [about] profits. (manager T1)

(Note: For highlighting purposes, I have underlined parts of the examples throughout the following subsections. They do not illustrate emphasis on the part of the manager.)

In this repertoire, early integration was portrayed as a time for establishing acquirer control, assuming control was addressed as a fundamental function conducted by the new owner. The managers emphasise the acquirer’s need to take control of the newly acquired company, its resources and especially its organisation. It is based on the managers’ rational understanding of the transfer of target unit ownership to the acquirer.

In Examples 1 and 2, both an acquirer manager and a target manager refer to “following up” as an acquirer task. In descriptions of the control repertoire, managers frequently used straightforward words such as “control”, and “reporting”. Acquirer managers illustrated the financial control systems established in the target organisation. Frequent expressions occurring in the text include “in control”, “the right way” and “follow up”. Concerning more informal control mechanisms, acquirer managers illustrate their intentions through frequent metaphors such as “(getting) the right men on the bus” and “company man”. Acquirer managers use the metaphors to distinguish the managers who they want and need to keep in the organisation from those who can be allowed to go.
This repertoire is one of the most traditional, emphasising legitimate actions taken by acquirer managers in early integration. It reflects the general understanding that it is the duty of acquirer managers to establish control in the target company. There is practically no doubt about the locus of legal power, or authority. Consequently the repertoire characterises not only the acquirer's legal right, but also responsibility for exercising control over its acquisition. The obligation of the acquirer assuming control in early integration is not questioned; it is in fact expected. The repertoire is a starting point for many descriptions of early integration, as it is natural for managers to describe managerial functions. Importantly, the repertoire is not used only by acquirer managers, the necessity of control was also addressed unanimously by the target managers.

This repertoire is further elaborated in the following subchapters in two themes: best practices and control mechanisms.

**Best practices.** Within this theme, managers, especially those involved in the deal-making with a central position in the integration team, addressed the right way to conduct integration after the acquisition deal. The theme suggests that the acquirer and the managers of its integration team had extensive experience in how to acquire companies and successfully integrate them into the acquirer organisation. The text in this theme includes descriptions of controlling and integrating, especially in theory: how to integrate correctly and say "the right things" in integration context.

Personal acquisition experience was portrayed as a resource. Not all experience is organisationally-bound; some was also gained from earlier roles in other companies. Experience and confidence in integration management were highlighted by a manager who expressed the acquirer’s need to tell the target what they wanted to hear. An acquiring manager described how integration should be achieved:

*We think [what] is very important is that management should be close to business.* (manager A1)

According to the acquirer managers, it is important to make the right promises. In addition, they portray themselves as tactful and know it is important to show the target respect and be culturally sensitive. There is a definite need for assuring talk, telling the target that their business lies in the core of the new owner’s strategy and that the acquirer is doing the right thing. It is also important for the acquirer to promise to treat the target well. Target managers expect to hear that jobs are not on the line and that the business will continue as before.

*We could kind of demonstrate that we, first of all we came. And, and of course we could hopefully say some right things about respecting what, what they are doing and all that kind of. I would say - right things you should say.* (manager A1)

An acquirer manager emphasised the power of demonstrating the right way to manage integration. An acquirer manager illustrated this with the example of the target’s traditional internal employee event (toimialapäivät in Finnish), where the acquirer executives demonstrated their good intentions in a very Finnish way:
But I know that most of the people didn’t get the message correctly, because it’s hard to... this kind of information is hard to catch if you don’t know enough...specific language. ...But during the night you, we had a sauna, we had good meat and everything and then things go easier. And there were small groups communicating in better ways after a few hours. (manager A4)

Closeness and presence are described as important ways to signal positive meanings. By showing up at the target employee event, acquirer managers, both Norwegian and Finnish, wanted to demonstrate that they cared and were willing to do the right thing for the sake of the target company. In addition to this event, the acquirer managers emphasised the need to visit the recently acquired and unfamiliar target business units to demonstrate the right integration management. Here, an acquirer manager portrayed the acquirer as a close caring, company, also emphasising that he knew that this would be viewed as the right thing to do:

So I think that was a very good meeting, creating a kind of, a little bit of yes, this is a good company to work in. So management meeting the people is a very important issue, not only by e-mail but by physical presence. So, that’s, at least for [the acquirer company], very important. So, my boss who is [a top executive] of [the acquirer company], he has already been in Finland now after Christmas, and after the New Year three times. So, he’s here all the time. (manager A1)

An acquirer manager took up cultural sensitivity and how the target needed to be taken into consideration. This experienced integrator described his past work abroad in different cultures and with people from different backgrounds. Whereas the target company was a domestic player in its field with engineering staff, the acquirer manager emphasised that he knew how to win over the target:

You have to show them that you have a kind of a, we respect you. And I think that’s, whatever culture you have you have to, you have to show that you respect people. (manager A1)

Furthermore, the acquirer managers from Norway portrayed its culture as respectable and good, and when injected into the integrating organisation in Finland, argued that it acts as a means for controlling the Finnish subsidiary. In addition to the acquirer culture, the acquirer’s reputation as a large and experienced international company was presented as a means for achieving success. Also, personal cultural exposure and experience were portrayed as a resource. Here, an acquirer manager confidently portrayed himself as an experienced international player:

I have worked in all the Nordic countries and I’ve also lived in Belgium and in Abu Dhabi, I kind of, I see this that, you have to respect – you have to have a kind of flexibility, you have to, impose the right things but you have to understand that you’re doing it in some kind of cultural setting and have sensitivity.. Yeah. I think I have that. I think, yes I, I know I have that. (manager A1)
In a comparison of the acquirer and target cultures, an acquirer manager explained how the acquirer culture was better than the target company culture and that steps will be taken to eliminate undesirable features. Members of the integration team describe the international acquirer as the saviour of the less advanced Finnish target. Furthermore, in this theme acquirer managers describe the acquirer company’s attempts to position itself as a capable partner in control of the situation. They explained this as a favour made to the target by integrating it into a fascinating multinational enterprise that would provide ample opportunities for polishing strategies and broadening service offerings, new paths for staff careers and mobility abroad, be important to the owner, and win the attention it deserves.

To conduct integration in the right way, acquirer managers also took up the need for communication before and during integration. They emphasised the need for sufficient accurate information in integration situations and made clear that "the change management of culture needs communication". Acquirer managers also expressed frustration about communication never being sufficient. The target organisation wanted more than it has received. Acquirer managers expressed their need to prioritise what to communicate and when, as not all information can come at once because the target employees would be unable to absorb it.

On the other hand, target managers point to effective communication with staff during integration as "extremely important" - one of the key functions. Target managers made frequent references to target staff, expressing their knowledge of staff expectations. They portrayed themselves as being on the staff pulse and communication in the target organisation was described as active and functional. In addition to receiving official, but non-regular emails, target employees resort to calling "chieftains" (heimopäällikkö in Finnish), i.e. the more knowledgeable managers. A target manager pointed out that further information was essential both for them and for other personnel. Staff wanted to know everything as soon as possible, not just something every once and a while, in bits and pieces.

And, show your cards as openly as possible. In this kind of situation, more information does not increase the pain ("tieto ei lisää tuskaa" in Finnish), but the information that you can give is of [the] utmost importance. (manager T2)

Control mechanisms. This theme illustrates talk on control mechanisms, those in use and most applicable during early integration. Financial control is the most important control mechanism referred to by the acquirer. The emphasis on financial control was attributed to the heritage of German corporate culture, which is known for strict, high-quality financial control. Managers argued that financial controls are put into place to track performance and evaluate progress toward the financial goals of the company. Justifiably, when acquiring a company, assuming financial control and introducing measures to track performance are especially important in taking charge of assets as soon as possible. The financial control mechanisms installed in this case referred mainly to reporting with increased frequency and quantity. Strict financial control requirements are evident in the descriptions of both acquirer and target managers and also considered appropriate; they were not questioned by target managers. With respect to more informal control mechanisms, acquirer managers mentioned manager selection. It was emphasised that it was important to "get the right men on the bus".
The integration team were described as having a specific role in injecting the most critical control mechanisms into the acquired organisation. Here the critical mechanisms were financial control, i.e. taking control of accounting, invoicing and contract follow-up. The new SAP system was being integrated at the same time. For the acquirer, safety and quality issues were also important and it was made clear that the new organisation needed to be on the right level as soon as possible. An acquirer manager illustrated that in its worldwide operations the new owner emphasised the need to control the quality, policies and resources of its subsidiaries. Also, a manager at the Finnish headquarters mentioned an order from the acquirer insisting that new rules, policies, reporting procedures and the introduction of new systems be communicated clearly and forcefully. There was no room for bargaining or compromising. The action was called "A quick [acquirer company name] injection":

At the same time the expectations at the group end have been that, well... they formulated it as a quick [acquirer company name] injection, that... you need to strike there... (manager A3)

Furthermore, acquirer managers addressed the need to control and manage the target organisation’s previous contracts, as the target was profitable and attractive. References were made to "business as usual". Hence the integration team were realistic about the amount of control exercised over the target. They needed to choose "the right focus on the right level". All in all, the descriptions by Norwegian managers were on a strategic, rather abstract level. Norwegian integration team members placed less emphasis on their own actions in descriptions of future intent. Operationalisation of many integration issues was in the hands of Finnish managers, both acquirer and target managers.

The target accepted the necessity of financial control. Numbers and figures were said to provide "a lot of information". The acquirer was also depicted as professional when it came to financial control. However, reporting procedures and a lack of clarity involving decision-making authority were frequently criticised. During early integration, the Finnish acquiring organisation filled the position of chief financial officer with a Norwegian integration team member. The acquirer took close interest in the target figures, both those in black and also any in red. This was described by target managers as a positive way of operating that also called for a new proactive stance on reporting from the target.

Now they are interested in what is happening and at least some aspects of the reporting are working, and well, I think it is good that they follow us and watch where we are going. (manager T2)

Establishing control was also conveyed as a positive undertaking by target managers. "Monitoring" the target and information exchange was considered reasonable. Attempts by the acquirer to train the target employees and see that they learned (with respect to the SAP system training provided) were received positively. The current financial control and training situation were considered regarded as an improvement on those of the previous owner, who had treated them as "a pure cash cow". The previous owner family, which had never visited any of the company sites, was described as "rather faceless", which was paradoxical for a traditional family-owned business. Hence establishing control was considered positive; the
target was finally receiving the attention it deserved. However, “the honeymoon”, as early integration was called, was soon over and it was also assumed that the target's position would "get tougher".

Integration was frequently portrayed in managers’ talk as a vehicle that was constantly on the move, although not all organisational members were willing or allowed to take part in the journey. The acquirer acknowledged the almost urgent need and challenge "to get the right people/men on the bus" on the part of the target organisation, in other words to exert the most important informal, human-related control.

That's also why we need to make sure that they are motivated and it's, that it's the right people working there so of course we will start to look into now... once we get the basics right, we will start to look into the structure and discuss with them. (manager A1)

At the same time, the target managers stressed the importance of getting target officials in the local business units "on board". It was the responsibility of the new owner to select the most adept target managers to bring the target unit into conformance with the expectations of the acquiring company; the acquirer needed to select "company men" for key positions. It was made clear that not all target managers were suited for those positions.

Many of the traits of target managers were attributed to national culture. One of the other repertoires, the cultural repertoire, specifically addresses the cultural differences depicted by acquirer managers with respect to the Finnish target managers’ manageability. I leave the descriptions and discussion on national differences to that later repertoire.

4.1.2 The autonomy repertoire

EXAMPLE 1: I think the most important thing is that we are able to run the company as it was before. Mainly because if we are buying a company, we believe in it and it has some kind of... good results and... and it's very important that the business is going forward the way it is. (manager A4)

EXAMPLE 2: They, as I said, they, the management on site have to focus on the day-to-day business. So they have been, we have not used them a lot in this integration. We have mainly handled the integration among a central team or something, here in [town name]. (manager A4)

EXAMPLE 3: They have not disturbed us much. We have been left in peace. (manager T5)

As the above examples drawing from the autonomy repertoire illustrate, few changes occurred in the target's business during early integration. The autonomy repertoire is a counterpart of the control repertoire. Whereas the control repertoire represents the ideal and theory of integration changes and acquirer control in early integration, this repertoire portrays early integration as the phase in which autonomy is granted and control
consequently handed control over to the target. In Example 3, a target manager illustrates this by explaining that “we have been left in peace”. The repertoire reflects the on-going perceptions of managers of this particular early integration, instead of the best practice or theory, as in the control repertoire.

The repertoire is built on frequent phrases such as “business as usual” and “do it locally”. In Example 2, an acquirer manager talked about continuing business as before by expressing that “we have not used” the target management. In Example 3 a target manager refers to the time of early integration with the expression “they have not disturbed us much”. “Business as usual” has different meanings for acquirer and target managers. For acquirer managers it means that the target organisation keeps on doing business without much change or unnecessary interruption. The acquirer managers use the expression to voice that they wish to give the target organisation, and especially its business units, a free hand to go on with their work. For the target managers, continuing as before had more negative connotations. Whereas for the acquirer, having minimal impact was positive, for the target “no changes” or “nothing happens” in early integration was not desirable. Descriptions by target managers of early integration portrayed dissatisfaction with the current state of integration and a lack of visible changes. This stagnant state of affairs described by the target managers is further illustrated in the theme grip.

For the target managers, the expression “business as usual” implies that few of the positive developments expected had materialised. The move away from the old owner was deemed “not radical” and only positive by target managers. Some target managers described themselves as “huutolaispojat” (a historical term in Finnish referring to paupers whose maintenance, in return for their labour, was entrusted by parishes to the lowest bidder) to illustrate the lack of development and attention in the group of the previous owner. Alpha business unit was described to have been an autonomous, separate money-making machine within the group. The target managers illustrated their expectations about their significantly more important role in the new owner’s group. A target manager illustrated expectations and the positive nature of the change (“something to happen”) as follows:

\[
\text{We had already anticipated it [the acquisition] for a longer time, and were even hoping for something to happen, because we were in a position of 'huutolaispojat' in the [name of the previous owner], so that there was no development. (manager T5)}
\]

Also, target managers’ describe how the acquirer had official responsibility for taking over and informing staff of all changes. This is illustrated in the saying “do it locally” (see quote below), which apparently became a sarcastic motto for the target personnel. Whereas the acquirer managers voiced trust in the status quo in the business units, the target managers portrayed the autonomy granted them for implementation of the changes as neglect.

\[
I: \text{But that they gave you the responsibility, it was quite substantial...?}  
R: \text{They did not give it, but we had to do it... the responsibility was not transferred, it just shifted... Then we started saying, do locally, do locally... We came up with this slogan "Anything, yeah, we do it locally, we do it locally." (manager T5)}
\]
The repertoire builds on issues related to the level of integration, as the target managers highlight the fact that the acquirer let the target run their operations quite independently for a long time. This is described further in the theme *business as usual*. With respect to integration, the acquirer basically inserted its financial control system into the target organisation. The target managers voiced their expectations for a new organisational structure, which was in fact not yet being designed. Apart from the level of integration, target managers expressed the need for changes in the target organisation and criticised the acquirer for lacking the control needed to make integration happen. This repertoire is next further elaborated by two themes: *business as usual* and *grip*, used here to mean the acquirer’s ‘hold’ on the integration.

**Business as usual.** In this theme managers described how the target organisation was allowed to run the business in much the same manner as before the deal. After being neglected under earlier ownership, the target managers expect the target to receive the attention due it and be integrated into an international organisation. However, the changes in the target organisation in particular were not substantial and the business units were left almost intact. This was a legitimate move on the part of the acquirer, which did not operate in the target’s field of business. An acquirer manager emphasised the importance of the business units in the following excerpt, highlighting the reason for autonomy:

*So sites are really the core of the, the profit and loss activity of the company. And of course being site managers, they have a lot of power to kind of make profit happen.*

*(manager A1)*

Whereas not all target managers were necessarily invited to get “on the bus”, the acquirer managers voiced overall trust in the target. By carrying out profitable business year after year, relatively independently within the Alpha Group, the target had proven itself. Granting autonomy and handing over substantial power to the target units prompted an acquirer manager to explain the situation and trust in the target:

*So there is a little bit of control coming from the top but, I think here in Finland, I think this will work out fine because what we are buying is very good and also very professionally run, so. I think we will not have that kind of problem here.*

*(manager A1)*

The Finnish acquirer organisation did not have the resources to manage and execute large scale changes in the target organisation. Hence many of the local changes were to be managed by the target personnel themselves. The Finnish managers, acquirer and target alike, explained that they had to carry out integration mainly on their own, without help or guidance from the more experienced Norwegian managers. Although board meetings apparently took place regularly, the integration team played a relatively passive role in them. In this one-way communication pattern, Finnish managers were listened to, but two-way discussions did not take place.

As the target culture and the target business were new to the acquirer, the integration managers also expressed the need to get to know, understand and also “control the feelings”
of the business unit managers. These descriptions by the acquirer managers illustrated the perceived risks of autonomy and of continuing ‘business as usual’. The acquirer managers described a need for more direct communication with the business units. To be able to communicate with the Finnish managers, Norwegian managers said that middle management needed to learn English. (Language issues are described under the cultural repertoire.)

**Grip.** This theme illustrates desire on the part of target managers for more control from the acquirer. Descriptions portray the need for a stronger takeover and coordination in early integration. The target managers described their expectations of change and the perceived lack of change during early integration. Change was depicted as a necessity, as were top-down management, planning, control, coordination and clear orders. Autonomy in this theme was not desirable, although the target managers gave frequent accounts of autonomous behaviour during early integration.

*The challenge is that I want to hear from the acquirer what they want from us.*
* (manager T1)

As described already in the previous theme *business as usual*, the Finnish managers expressed their frustration for having to carry out much of the takeover themselves. They said that the acquirer lacked leverage in the target and that “large-scale taking control [was] missing”. Target managers made references to an ideal takeover, which would be "strong and quick" – assertive and efficient.

*They have not taken control of things. [name of the Finnish MD] tries to get closer to our units and [so] that staff could discuss with him, too. But it all goes through me, discussion, policies...* (manager T1)

*On the practical level, they did set up systems and the like, but the takeover of the business and the responsibility for it, well... it was left up to us in our own environment, and we just took care of it.* (manager T4)

Descriptions in this theme by target managers showed resistance towards the acquirer. In addition, they illustrate juxtaposition between the parties. The target managers explained that they knew how things should be or should have been done. Here the practical takeover of the target project managers was crucial. Managers in the business units needed to be "brought on board" according to the target managers. The importance of these managers was highlighted in their role between the upper organisation and both customers and staff. They are the ones who conveyed messages from the acquirer to people in and around the local business units. In addition, it was emphasised that they had credibility with the staff and an impact on them. One of the issues raised was language. In the absence of a common language between the Norwegian managers and the target business unit managers, some upper target managers were in a powerful position to convey messages.

The target managers either expressed a desire for the exercise of more clout by the acquirer or complained about the lack of it in several references to target staff. The target managers thus used target staff as a narrator for issues that need to be raised. This strategy validates
and affirms the descriptions voiced by target managers. The message was more powerful when it was not only the managers, but the entire personnel who shared the feelings voiced.

> Of course it's a loss when a guy leaves, it's a clear thing. But in my opinion the problem lies in... if there is any discontent, it echoes in the activity, when people talk among their own team in a negative way... I know some cases... guys are in trouble with getting new contracts and the prices are all wrong... you start missing [Name, target] and thinking that in [Name, target] this was already in control. (manager T1)

Here, staff are described as having been excited about the potential changes. Target personnel had high expectations (discussed later in connection with the expectation repertoire) and consequently, after a slow start with change in early integration, the staff were depicted as impatient and frustrated. Target managers foresaw the emergence of threats in the event that the acquirer would fail to take control. Such threats were voiced through the sentiments of target staff as follows:

> Finance is under strict control, but other functions are only looked at roughly ... I mean, it may happen that the acquirer may find it increasingly difficult to bring up changes since the target staff are more and more thinking back about the old times and holding on to them. (manager T1)

The target managers expressed the desire for change and for control not only in finance, as they also covered issues such as communication and cultural change. "Business as usual" for target employees means a lack of visible changes in the immediate working environment of the target project managers. They raised issues that have not been taken care of during early integration, such as work clothing, business cards, credit cards, company mobile phones, laptops, cars, logos, invoice templates and operating systems. In project managers' accounts, some systems, mainly SAP/IT systems, had been built, but control and leadership had not been demonstrated. Changes had been sought and some carried out. However, with change comes the unfamiliar. Functioning work facilities and a good atmosphere had been replaced by something new and ambiguous. In their accounts project managers desired change but longed for the past:

> It has become a joke, well, they took away our [old owner] credits cards after the deal and now we are paying with our own if we need to get something... We are laughing about these risky investments, since you don't know if you need to ask with your hat in hand to get them back... it takes weeks. We did not have to worry about such with [the previous owner company] (manager T3)

### 4.1.3 The cultural repertoire

> EXAMPLE 1: When I see some of the, sometimes for us coming into Finland, the Finnish culture is sometimes to us very, it's very sort of closed. I mean, it's not easy to, and I sometimes wonder, how a company like Nokia [utters a laugh] can be sort of very very Finnish. (manager A1)
EXAMPLE 2: I have been thinking it, and I now feel like they [Norwegians] have been doing too well for too long a time as a nation... Sometimes it feels like they are taking it too relaxed. (manager A3)

In the cultural repertoire early integration appears as a time for making sense of 'the other'. This repertoire was built on managers' descriptions of cultural traits that differ from their own, as in Examples 1 and 2. Through this repertoire managers established the familiar as 'normal'. The repertoire emphasises differences and distinctions. In general, cultural discourse gives the discourse producer an opportunity to address 'the other' in a chosen way, which is here more unconstructive than constructive. The repertoire consists of descriptions of the new partner, mainly on the human level, of their traits and their actions, as in Example 2.

With this repertoire, managers contrast old and new - our culture and their culture. The text includes assessments of 'the other' by all the managers. Managers rarely give neutral descriptions, but resort instead to criticism of the other. National traits were clearly contrasted. Cultural understanding was not expressed in an active way. This was interpreted to reflect the recent changes and exposure to new cultures in early integration. Descriptions were made not only on the national cultural level, describing Norwegian and Finnish cultures and their manifestations, but also on the levels of business and organisational culture. Three of the themes illustrate these cultural levels: national cultures, listening and learning (for business culture) and involving and committing (for organisational culture). The fourth theme discusses language.

The repertoire builds around words and descriptions like "they, them" and "we, us". The managers made frequent references to nationalities, i.e. to "the Finns" and "the Norwegians". The Finnish managers explained how things were done "here in Finland" and "in this business". Verbs such as "understand", "listen" and "learn" were used often. With respect to descriptions of the language used, managers referred to facing challenges in communication by referring to "the language issue" or "a big issue". The phrase "(not) getting the message" was also used in the descriptions.

The versions thus emphasised the differences between the two parties to the acquisition and also illustrated cultural superiority during early integration. Text in this repertoire highlights more misunderstanding than understanding during early integration. Managers portrayed themselves as 'normal' and contrasted their differences with 'the other'. It is natural and expected that managers would experience some level of cultural shock in early integration after being exposed to different cultures on national, organisational and business field levels. The descriptions at this point, during early integration, did not portray acculturation or cultural change, or even attempts to achieve them. Instead, the talk conveyed the challenges encountered in making sense of the other culture and the new partner. Managers addressed cultural differences and described their experiences very openly. It was not only the Finns who expressed themselves openly to another Finn, but also the Norwegian interviewees described Finns and Finnish business culture in frank terms.

Versions constructed with cultural repertoire highlighted gaps in mutual understanding. However, as common interests were laid out, there was a need to start building a common
future. Creating mutual understanding on the business field level was revealed in descriptions of the need to listen to one another and learn from each other, communicating intentions, strategies, vision and goals, and keeping all integration parties informed about progress in integration. Organisation culture and change in it were addressed through descriptions involving the acquisition parties and committing managers to the common organisation.

On the basis of a general understanding of cross-cultural issues in M&A processes, the repertoire can be considered traditional. Cultural explanations for many acquisition issues were frequent and for instance the 'us vs. them' phenomenon was well known in the field. In the analysis of managers’ talk, this repertoire was a starting point for many descriptions of early integration, but also an explanation for many challenges posed to both acquirer and target managers.

The four themes discussed under this repertoire are national cultures, listening and learning, involving and committing, and language.

**National cultures.** The text in this theme elaborates and describes differences on the national level. Furthermore, it illustrates cultural sensemaking between the Norwegian and Finnish managers. Most of the interview text illustrates perceived differences in an open fashion by both Finns and Norwegians. As a Finnish researcher I also observed some candid accounts of Finnish behaviour and traits by Norwegians. However, it may prove difficult to express the cultural differences of Finns to a Finn. Such talk involves a serious balancing act. The following is one of the cautious and thoughtful ones:

> And, and for sometimes Finns, to me I mean I, you probably know more about them, they are more kind of. we decide what to do and you do it. Which is sometimes very, nice because it’s very, (-), no fuss. (manager A1)

A Norwegian manager, involved in the integration team, frequently described cultural sensitivity and how the target needed to be taken into consideration. The accounts emphasised his experience in working abroad in different cultures and with people from different backgrounds. The target, however, was a local Finnish company with Finnish employees, mainly from an engineering background. The target managers were less experienced in cultural understanding and sensitivity towards differences. The integration leader illustrated that he knew how to win over the target. The attitude of the acquirer was portrayed as understanding:

> You have to show them that you have a kind of a, we respect you. And I think that's, whatever culture you have you have to, you have to show that you respect people. (manager A1)

Although Norway and Finland are located in geographic proximity to each other, there are differences between their national and business cultures. The Finnish target managers portrayed the Norwegian acquirers as sensitive. A Finnish target manager described being cautious towards Norwegians, as it was understood that cultures differ and Finnish directness may not be respected.
In one board meeting, [name of the Finnish manager] got upset about something, maybe something small, and there were three Norwegians witnessing it. They [Norwegian managers] took long looks at him, when he spoke up... [laughing] (manager T1)

The Norwegians themselves officially voiced their appreciation for the directness of Finns to a Finnish interviewer. A Norwegian manager needed to portray an extensively elaborated the positive nature of open communication by Finns:

...when you’ve been through all this, a lot of this integration projects in different cultures, it’s easier to communicate direct and get correct and direct answer, than talking in the, in the meeting room afterwards. So... it’s, it’s much better that we are open and clean... when we communicate, because we also have this short deadline. (manager A4)

On the other hand, an account by a Finnish acquirer manager illustrated that creating understanding between the Finnish headquarters and the Norwegian integration team was difficult:

We report to Norway, but there is no common understanding [after two months]. (manager A3)

Moreover, Finns are depicted as easy to control, at least easier than Swedes. In general, cultural comparisons are easier than clear descriptions. Without prompting by the interviewer, rather lengthy elaborations of the positive features of Finnish culture were produced:

I think it, that’s easy [building commitment] in Finland; it’s more difficult in other countries because some countries need long processes to agree small things. In Finland if you agree on something, we do it together. I think that has been a good experience. But it’s also, it, it, I don’t feel that it has been difficult to, to gain control over it. (manager A4)

Finns were occasionally portrayed by Norwegians as having open minds. Target staff were portrayed by the Norwegians as excited, impressed and positive towards the acquirer. Whereas the Norwegian managers generally voiced obvious determinism and confidence regarding the future and the target, the target staff was also described as ‘irrational’. Accounts frequently included a compliment and some directions for improvement:

I think they are very nice people [Finns], they’re positive people. A little bit, what, what I’ve missed... is that you have no body language, or at least some, a lot of you don’t have very informative body language. We don’t see what you mean. (manager A4)
Accounts frequently were devised for sensemaking. Hence accounts of differences between national business cultures were simple, but seem as somewhat paradoxical at times. Norwegian managers expressed Finns are easy to work with because of their direct way of thinking and acting. But Finns are also described as expressionless. A stiff Finnish face is difficult to judge. Finns are described as “funny in their seriousness” and as honest, direct and closed. On the other hand, the Norwegian managers portrayed themselves as sensitive towards cultural differences. Norwegian managers portrayed themselves as business-like, explaining they were used to small talk and sophisticated business manners in the international business arena. A Norwegian manager expressed his astonishment that Nokia is a Finnish company:

_I think the Finns are extremely. I mean.. in.. in one way they are more closed but in one way they are more successful internationally than Norway. I mean they have more brands which are known in the world than Norway. It’s kind of guts._ (manager A1)

As illustrated above, the talk of cultural differences and cultural sensemaking exposed resistance. The presence of the Norwegians was said to inhibit normal operations. Finnish managers voiced visions of the future without the Norwegians. As the Finnish company would be stronger and all managerial roles filled, the Finnish subsidiary would be fine on its own. Steering and guidance was expected, but help would no longer be needed:

_You start easily feeling that you want to create your own… I mean listening to the sentiments among the [Finnish] management team… is that it would be good if the Norwegians would take off quickly and we could like start working._ (manager T1)

Furthermore, target managers express doubts about the mentality and actions of the Norwegian managers after working together for a few months. A target manager stated that the Norwegians “[selected] responsibility” and portrayed early integration reality as a game. Or as in the following excerpt, where the Norwegians were portrayed as having lost a game or a war and escaped:

_When the Norwegians realised they cannot cope with the integration, they became less visible… Obviously realised they cannot do it._ (manager T5)

While a Finnish manager from the acquiring company said openly that the Norwegians are “too well off as a nation”, he also wished to give a positive version, and stated that his Norwegian colleagues were “easy going, relaxed people” and “fun to be around”. Cultural descriptions of ‘self’ and ‘the other’ seem alike. Generally, Finns were portrayed as task-oriented and Norwegians as business-like and cautious. Although the descriptions were parallel, making sense of a differing kind was not an easy task, as illustrated in the following excerpt:

_I have a feeling about Norwegian culture, that they are prone to sitting in longer meetings than the Finns. In Finland, in boards and meetings, we anyway attempt to reach some kind of decisions, but with the Norwegians, the board meetings are kind_
of discussions. I cannot remember whether we have reached any decisions in our meetings this year. It's more about discussing. As we leave the room everyone is thinking about [laughing] what did we..., what was it... (manager T1)

**Listening and learning.** It was not only the national cultures that clashed in the talk of integration, but also the business cultures. This theme highlights the need for showing respect to the new partner. Descriptions were built on the business-culture level, as target managers created a need for the acquirer to listen to them in order to learn how the target's business field operated. Target managers' accounts illustrated a reluctance to leave the target business in the hands of the acquirer managers, who did not have prior experience in their field of business. Knowledge of the business field was considered crucial to the success of the new company.

In general, this theme builds on target managers seeking attention from the new owner. The acquirer was described at the time of the interview as 'not knowing', 'not understanding' and having 'no professional skills'. The target business was in electrical engineering, whereas the Finnish acquirer had a background in the plumbing business. This gap was frequently elaborated in the interviews. Target managers portrayed their business field as more advanced and described the difference between the statuses of these industries. A target manager demonstrated pride in expressing his view of the prospects of the acquirer management in the new business:

*I don't believe the current Finnish headquarters’ managers can pull it off.* (manager T1)

"Listening" as a function occurred quite frequently in target managers’ talk. The acquirer managers also acknowledged the power of listening. The acquirer needs to remain humble in the eyes of the target. Also an acquirer manager emphasised that it is all about "respecting the culture and how you talk to people who come into a new organisation". The target always possesses special knowledge of its own business, which is valuable to the acquirer. It is not only tangible resources that are acquired. An acquirer manager described his best practices when welcoming target people into the new company as follows:

*I think everybody working in an organisation - they have some kind of pride in the company they're working in. Most of them. And if you go into either an acquisition or a merger without showing this kind of respect and saying that "we really respect what you're doing, we think it's good and we want to learn from it". If you do, if you kind of say that "okay you, what you did previously doesn’t count, now you're part of our glorious organisation", it doesn’t work.* (manager A1)

This acquirer manager’s account contrasts with the target managers' descriptions about being left out of planning the new direction. The target managers described the target unit managers being left outside of the new management board of the integrated company. This decision was described difficult to digest because the target was much larger in size than the Finnish acquirer. The Finnish acquirer had around 50 employees, whereas the target had over 200. A target manager's account portrayed strong disappointment in being bypassed:
If you have not thought things through to begin with, it shows that you do not have professional skills. And you do not know what people do in this organisation, meaning what happens in this house. And the experts who do know about something, they are never asked anything. (manager T1)

The Norwegians think that unit managers don’t have anything to say. (manager T1)

Descriptions illustrated target managers’ disappointment with the lack of responsiveness on the part of the new owner in issues concerning the target organisation and its best practices. By not being heard or listened to, the target did not receive the attention it had received earlier in negotiations. Examples of potential occasions of listening and learning were voiced by the target managers. Most of these occasions were not, however, depicted as successful by the target managers:

I’m sure it would have been easiest to discuss with me each detail, how they should be handled, since I know how things are done in this house. I’ve been here so many years, and in this business, so I know which issues are the most critical to us. (manager T1)

Somehow it felt that even though they visited our units and our guys told them that they have these and these clients here and this is how we do this here, it somehow felt that they were not listening at all... Or was it that they assumed something, although the guys told their thing, but they assumed that it was different. (manager T1)

The acquirer had promised the target to make frequent visits to the recently acquired target business units. The target managers expressed their disappointment in realising that it had in fact been merely a good intention. Expectations again were not met. A target manager described how the new MD visited a business unit in March. He said that he wanted to take up pressing issues with his superior from headquarters. The target manager described how the MD dodged the responsibility of listening to his subordinates:

Well, it was so that, he [the name of, the Finnish MD] was visiting us last week. We went to visit a customer. But he did not give me a minute to talk to him... about these issues, he just took off. He was here to present the acquirer to the customer. (manager T3)

An experienced target manager described how he had “made noise about issues” for the common good. The target managers portrayed themselves as being on top of the situation. He emphasised he had been available to upper, acquirer managers and had made it clear what should be done. The following account illustrates his attempts to get an audience:

I have said many times that we need to do something. (manager T5)
A target manager explained a situation, where listening and learning are of the utmost importance. Acting in the capacity of a consultant, the previous advised the Norwegian managers how the wages were calculated in their field. The Norwegians were portrayed in this account as condescending and reluctant, at best uninterested. Consequently, problems with payroll for many of the target employees for many months ahead were attributed in this account to failure on the part of the Norwegians to listen. A target manager made sense of the situation, creating once more an account of 'not understanding':

To me it is still unclear. Sometimes it felt like even though we have gone through the issues many times, they still do not understand our operations. (manager T1)

**Involving and commiting.** This theme illustrates issues of involving and committing people to integration, change and to the new company. It addresses the idea of creating new organisational culture. Target managers describe their wish to be involved in decision-making and portrayed pride in their heritage and expectations of taking part in building the new story, in creating a common strategy and goals. They portrayed the target as a capable partner, equal to the acquirer. As a partner, target management had the right to be involved:

And, well to get the strategy work running, it requires that we from the units, also get to be part of it. (manager T2)

[name of the target company] units want to be part of strategy work somehow. (manager T5)

An acquirer manager did voice his faith in the target company, its independent operations and its professionalism. As compared with earlier acquisition of the family-run business in Finland, a Norwegian manager depicted confidence in the target:

If you take the acquisition we are now doing here, it is not very difficult because [name, target] it is I would say a more.. how should I put it, advanced company, than [name, previous acquisition in Finland] we bought last year. So I think they will feel that they can actually be a part of building [name, acquirer]. (manager A1)

Because of the critical local business knowledge and customer contacts in these profit units, the leader of the integration team constructed an important role for the target unit managers. In answering a question about committing a key target manager to the new company, the acquirer manager described a technique from the past, which relied on saying things the target wanted to hear (see also theme of talking the talk under the expectation repertoire). The target was given the role of a trusting party which was easily persuaded:

I: Do you have a contract with him [the former target MD] to stay in the company for..

R: No, no. But I can say that one mechanism which I have seen during other mergers, which is always very favourable, is that if you are an entity within a big company
and that entity you belong to is not seen as a core business. And then if you’re bought by somebody, who really says that this is our core business. (manager A1)

The officially voiced position at the core of the acquirer business was creating expectations for the target managers about the future, more than commitment to integration. The target managers described how they expected that joint planning would start on day one. The target was large in size with respect to the Finnish acquirer – more than double in turnover and number of employees. However, the strategic planning and even the vision were buried under ad hoc operational confusion after integration began. In addition, there was no ready organisation in which the target could insert itself. The Finnish organisation had to be built from scratch. Hence during the first months the Finnish headquarters were very busy dealing with pressing operational issues. The eagerness of target managers to be involved was illustrated in the following account by an acquirer manager. Some target managers were portrayed as passive (“both ends of the scale”), some as too eager for the acquirer:

We have people from both ends of the scale; one end has expected to have an influence, introducing proposals and doing a great job … even to the extent that we did not have the time or energy to hang along… they wanted to do even more than we were capable of doing at this time. (manager A3)

The target managers described how they had expected to be a professional part of the Finnish operations in the long run. A target manager described how acquirer managers had been interested in the sentiments of target managers earlier in the integration, but for some reason withdrew their interest later. The expectations of involvement and commitment on the part of the acquirer managers were unmet, as frequently expressed by target managers. A target manager talked about having expressed a vision to the new owner of a joint management board. Later, the management board was formed without the target business unit managers. Apparently, the needs of the two parties did not meet. The target business unit managers were portrayed as having legitimate needs that were not considered by the acquirer. A target manager described this neglect:

And clearly, the guys [target managers] would have had needed to have these meetings more, but the owner did not see it. We have had a meeting with the acquirer steering group and I have wondered if we should have had a [an extended] management team for the duration of integration [with the target managers] and discussed issues there. But these guys [names of Norwegian managers] did not see a need for that. (manager T1)

A target manager described how he had been asked to be involved in the integration in all possible ways immediately after the deal. He portrayed himself as a proactive professional who was an asset to the acquirer management. The following excerpt describes disappointment and backing off in a graceful way. However, doubts were raised about the rationality of the acquirer’s decision:

In fact, I was in a good position having ready-made material from a previous integration. And actually, I was preparing myself and writing a list for myself about
what to take care of and in which order... And when nobody wanted to have a
discussion, I did not bother... OK, if you want it this way, I'll let you take care of it.
(manager T1)

Unit level managers were not in direct contact with the integration team or other Norwegian
managers. They did not experience “any cultural integration with the acquirer”. The German
and Norwegian influence had not yet reached the Finnish units. In general, cultural
integration takes much longer than any other type of integration. The target managers, and
according to their own descriptions, also staff, were disappointed in not having common
employee events together with the acquirer staff.

In this case, the cultures have not yet met in any way. It has been more like placing
new [name] logos on us. (manager T5)

Expectations that a new organisation would be built up quickly were voiced by all managers.
Rapid cultural change was taken seriously and responses to the risk of failure had already
been made. After (only) three months of integration, the target managers expressed concern
that cultural integration might not happen. The window of opportunity for target managers
was surprisingly short from a cultural change perspective, as in the following account a target
manager described a looming threat:

I'm afraid that it will turn out that this company will always have [target]
employees and [acquirer] employees. This is how I see it. It will not so to say be too
easy to become one anymore. A company cannot operate like that - we surely need
to have something in common. (manager T5)

An acquirer manager in the Finnish headquarters characterised the target organisational
culture as "self-conscious, proud and independent". The target was described as having unique
expertise, of which they were well aware. Nobody could tell them how to do their work. On
the adverse side, the Finnish acquirer managers from headquarters criticised the target
attitude towards headquarters. Headquarters was expected to take care of everything for
them. The target had previously been independent and strong resistance to change was
expected if the acquirer told them what to do.

At this point, the accounts of culture on different levels during early integration were built on
differing realities. Early integration was apparently a time for cultural sensemaking rather
than for understanding and valuing differences and ‘the other’. The acquirer managers
portrayed good intentions, whereas target managers went as far as envisioning the risk of
serious failure. The descriptions of target managers shape a reality in which momentum has
already passed. Language difficulties also played a role in the ability to involve and commit
target managers. Due to the lack English proficiency on the part of the target middle
managers, the Norwegian integration team could not communicate directly to all of them.
Language issues are discussed next.
Language. This theme builds on descriptions of communicating in different languages. Language difficulties played a role in creating misunderstandings in communication, as also in this acquisition case. Language issues were mainly taken up by the Norwegian managers, who spoke English. They were considered “challenges” common to both parties. Finnish acquirer managers did not comment on language, most likely due to their good working knowledge of both English and Swedish. The target managers commented to some extent on the English language, but did not discuss their own deficiencies in English. Managers described rather situations in which another person had communication issues.

Although some of the middle managers were fluent in English, the proficiency of others was described as surprisingly poor by the Norwegians. To the Norwegian management, it was very important to communicate and know the sentiments of the key actors in Finland, the profit-making target site managers. Norwegian managers describe that the level of English among the target management needed to be improved. While not singling out anyone, “the issue”, was portrayed as one of the most important ones to be tackled. Consequently, English lessons for some of the target managers had already been started. An acquirer manager illustrated the need to control local management in the following excerpt:

It’s very local business, and there’s not been any use for English. So, so the language issue in this very critical phase here in Finland, is of course, is a big issue. So we need to get Finnish-speaking local management in as soon as possible. (manager A1)

It had been a surprise to the Norwegian managers that not all the target middle managers understood English. The first meeting with the target employees had taken place in January, organised by the target managers. The Norwegian managers were given an opportunity to introduce themselves and the company. The Norwegian managers had not realised that they lacked a common language with the target staff. Neither were any interpreters present. The important positive message of the acquirer was not understood nor well received. However, language problems were openly yet cautiously addressed by an acquirer manager to a Finnish interviewer:

When we have, had our first, first meeting up in [town name in Finland]... we realised that our communication has to be in English because we don’t, we don’t speak Finnish. ... Something was communicated in Finnish by the local management, and the most of it was in English. But I know that most of the people didn’t get the message correctly, because this kind of information is hard to catch if you don’t know enough... (manager A4)

However, the language issue appeared to have been resolved in particularly Nordic fashion, but only after the official programme:

And in Finland it’s also a challenge of course. Because, most of them understand English but, it’s a little bit hard to, sometimes to, to get through with the, with information... But during the night you, we had a sauna, we enjoyed good steaks and everything and then things went easier. And there were small groups communicating in better ways after some hours. (manager A4)
4.1.4 The expectation repertoire

EXAMPLE 1: We could bring basically all the management of [name, acquirer company] into that meeting. And, we could kind of demonstrate that we, first of all we came. And, and of course we could hopefully say some right things about respecting what, what they are doing and all that kind of. I would say, the right things you should say. So I think that was a, very good meeting, creating a kind of, a little bit of yes, this is a good company to work in. (manager A1)

EXAMPLE 2: Well, I don’t remember them having a plan or anything, but when they came to talk to us, cannot remember all of them, but how they told us how the integration is going to be put forward and blablalba it’s going to be great and they have acquired so many companies and they know about the change, nothing came true, nothing! (manager T5)

EXAMPLE 3: I think they expect that they’re coming to this huge German company with 60,000 employees and everything like this. But, basically they were bought by a small piping company which was called [name] a year ago [laughs]. (manager A1)

This repertoire represents early integration as a time of managing (building and fulfilling) expectations. This repertoire was related to the deal-making phase of the acquisition and was a consequence of the (overly) optimistic deal-making talks. The repertoire also builds on the perceived lack of visible changes during the early months. In Example 1, an acquirer manager describes an event where expectations were built among target employees. The manager referred to “the right things to say” and portrayed himself as actively building expectations. In Example 3, he describes the expectations of target employees regarding the new owner; they have not been met. On the other hand, this repertoire characteristically constructed descriptions of how the acquirer managers were unable to fulfil “the promises” made by the Norwegian negotiation team and in talk by them intended to persuasive the target managers (Example 2).

The repertoire essentially builds on the ideal of fair deal-making and partnering. Target managers portray themselves as deal-making partners who have been let down. In the accounts of early integration, managers build large gaps between the deal-making talk and the outcomes of early integration. Descriptions of how target managers had expected the situation to be under control and the acquirer able to implemented well-planned integration are in the forefront. Whereas target managers in this repertoire acted as the confiding party, the acquirer manager in Examples 1 and 3 portrayed himself as an experienced acquirer, who knew well how to create positive expectations for the initial phase of integration.

With respect to the phrases used, this repertoire builds on frequent versions of both the acquirer “making promises” before the deal and the target’s versions, according to which “nothing [had] happened”. Target managers voiced their need for the visible changes that had been promised to them. They describe how the “promises had been higher” and how they had eventually proved to be “empty”. Many target managers also talked specifically about “having expectations” and how integration “has not lived up to expectations”. The themes can be considered ‘micro-repertoires’ because the theme talking the talk illustrated positive aspects
of integration. It concentrated on saying "the right things" and "they said it would be great". On the other hand, expectations build a bridge between accounts of deal-making talks and accounts of integration outcomes such as "nothing happened". These accounts as a whole portray early integration as a period of expectation management.

The verb "to happen" occurs frequently in descriptions. Target managers expressed their need to know "what is going to happen", "what is going on" and "what happens". More than one target manager stated that they could not "wait for something to happen". Also, target managers referred frequently to "not knowing" and provide abundant descriptions of non-functioning communication. The theme communication illustrates the known power of knowledge and communication. There are frequent target manager accounts "expecting to know more" of what is going on and how "nobody tells or explains".

Like the autonomy repertoire, this repertoire portrays the pessimism of managers regarding early integration. Early integration is not 'under control'. Descriptions illustrate frustration, dissatisfaction and disappointment. In this repertoire managers produce quite emotional and elaborate descriptions. The target managers addressed integration as a "failure" and admitted "giving up on hope". They described early integration as follows: it "could not be worse" and anticipate that the acquirer organisation "cannot do it". This repertoire is further illustrated by four themes, which are talking the talk, prospects, communication, and time.

**Talking the talk.** This theme illustrates the talk made by acquirer managers to the target organisation during deal making and early integration, i.e. descriptions of the acquirer talk creating expectations. Acquirer managers' accounts are about how expectations were built. In addition, the theme addresses accounts where target managers describe what acquirer management "promised" and how the talk has not been in parallel with the perceived reality. Managers use phrases like "they said", "they sold us the idea", we anticipated" and "we were told but nothing happened". The accounts of the target managers about the acquirer can be illustrated by the established saying about talking the talk, but not being able to walk the walk. The target managers portrayed themselves as disappointed partners and used expressions that widened the gap between the promises and the outcome.

In Example 1 above, a Norwegian acquirer manager openly described the way he had formulated a story to the target organisation. He had created a positive storyline based on his experience of what the target wanted to hear in such a situation. He told the target that their business would come under the hard core of the acquirer's strategy. Also, in getting to know the target, acquirer managers spent a substantial amount of time in frequent visits to local business units. The acquirer management had promised to be close and useful. Building descriptions of "the right things to say", the manager portrayed himself as an experienced acquirer who knew how to persuade and impress.

Generally, a small inner circle of upper management was involved in the acquisition process from the beginning. The acquirer informed most of the target organisation about important issues or set the scene for an optimistic future in early integration by communicating the acquisition story to the target organisation.
The message from the Norwegian team at the January event was important in a way to staff and project managers that we are not here just for a second, but we are aiming to grow bigger than the competitors... (manager T2)

A target manager described how staff has been excited about the acquirer’s talk about expanding and developing operations. A target manager explained how staff had expected opportunities to work in Norway, Sweden, and even in Germany. The target staff also wanted to see visible change in their working environment as soon as possible. Some details were described as important, such as new business cards, new names on work clothing and on cars. The most immediate concern of the staff was, however, job security. The target staff was portrayed at the end as a sensible group of people. Questions are addressed as concrete questions and legitimate expectations:

The first question is naturally, OK, do we still have our jobs? It’s always very concrete, their questions: Where do we work then, will it be the [town name] area, or do we need to move somewhere? What kind of job is that? (manager T2)

The consoling message from the acquirer at the employee event had been that the acquirer “was here to stay, which was important”. It was also noted that the target was not a competitor operating in the same field and competing for the same clients. The acquirer’s intentions were again portrayed as positive. A target manager concluded that at the end staff basically “just wants to get paid”, portraying staff and its expectations as reasonable. He also emphasised that the acquirer management had made “a clear promise” in addressing the deal-making nature of the acquisition:

A clear promise has been made that operations will be developed further and they are expanding. Personally, it is a very good motivator, knowing that, well something is going to happen, expansions and such, how the repertoire is going to change, time will tell, we have not been able to approach strategy work yet. (manager T2)

Organisational reality before the integration rested much on talk. Later however, the talk was to be implemented through managerial action. In a vulnerable change situation like a corporate acquisition, early judgments of the acquirer organisation are made by listening to managers’ talk. By highlighting earlier corporate experience in acquisitions, the Norwegian managers laid the ground for the target’s high expectations. In this acquisition case, the acquirer was depicted by a target manager as having promised “to save them” from the Finnish owner:

They sold us the idea of a giant company acquiring us. They said they had ready-made concepts and a clear vision. (manager T5)

After announcing the deal, the acquirer managers emphasised their wish to get familiar with the recently acquired companies by visiting business units and being present at headquarters. The acquirer management culture was said to rely on “closeness to people".
Also, target managers had been told that their business lay at the heart of the acquirer strategy. Visits and presence at the target organisation served as an informal control mechanism and also displayed attention towards the new organisation. A target manager contrasted talk and action:

[Name] promised at the employee event to go around in business units, but had to send a note [to staff], when he has not yet been to a single place. (manager T1)

Planning integration is considered one of the key functions of a successful acquisition. If the preparations are postponed until after the deal, events and occurrences and concerns to be addressed could pile up and most likely not all essentials could be catered to any longer. In the interview talk, the target managers frequently referred to planning talk by the acquirer managers. Preparation and planning were described as “poor” or even “missing”. The most direct illustrations were created by the project managers, as in the Example 2 above (also here). A manager contrasted talk and outcome using expressions like “it’s going to be great” for expectations and “nothing came true” for the outcome:

Well, I don’t remember them having a plan or anything, but when they came to talk to us, cannot remember all of them, but how they told us how the integration is going to be put forward and blablabla it’s going to be great and they have acquired so many companies and they know about the change, nothing came true, nothing! (manager T5)

At first they came and presented their stuff: [They told that] the integration will be great. (manager T5)

In the interview a Norwegian acquirer manager also emphasised his and the acquirer organisation’s experience and knowledge of acquisitions. The target managers also described how they were convinced that they would have experienced help in planning and executing integration. As opposed to the talk on planning, the Norwegian acquirer managers had little to say about implementation. Any problems they discussed concerned general circumstances. The target managers described that during early integration the organisation merely was reacting. The Finnish headquarters were not ready. Such perceived gaps between talk and action led a target manager to shame the acquirer management:

Summing up, they promised a lot more than we got, planning and all. They wanted to see all of us unit managers and so forth in October to tell us that it was well-planned and prepared... (laughs) (manager T1)

The beginning of the new story introduced to target personnel at the acquisition event in January was described as promising, but early integration was disappointing. Despite “the promises by the Norwegians”, Finnish managers (acquirer and target alike) said it was “all up to them” to make integration happen:
Prospects. This theme builds on the target managers’ prospects before the deal and during early integration, as well as descriptions on how their expectations have been met. It is a continuation to the previous theme Talking the talk. Whereas the previous theme illustrates especially the talk and promises made by the acquirer, in this theme the managers explain their expectations, which are not explicitly based on ‘acquirer promises’, but address also them.

After several years of anticipating changes on the owner level, a target manager explained how it had felt “pretty nice to put out some other sign than [the previous owner’s name]”. The idea of acquisition by another group was generally addressed positively. The acquirer also had explained that no reductions in staff were planned. This was regarded as the most important issue for the target staff. A target business unit manager illustrated how the new owner would personally be “a small kick in the ass” after a long period of slow development under the previous owner.

In the family-run group of the previous owner, the target organisation had identified itself as a family member. A target manager described the acquisition from the target perspective as a move away from home, like growing up:

[Name of target unit] left the family and is moving to its own place.” (manager T4)

An acquirer manager also described perceived staff expectations as a new beginning. Expectations were portrayed in relatively lofty and abstract terms, for example “a new life” and also in concrete and visible terms, for example “colours, new logo”:

The staff expected new life, colours, new logo... (manager A3)

In early integration the integration team prioritised establishment of financial control over the acquired resources and the introduction of the quality and security policies in the target unit. The target managers described how basic IT systems or mobile phones were not operational in the early months. Managerial actions were not perceived to be in line with target expectations. Disappointment was described as a fading image:

The image was positive in the beginning, but the image faded. (manager T3)

I do not know if it could be any worse anymore. (manager T3)

The fading expectations had a demoralizing effect on target employees. Staff were again used as a powerful example of the sentiments on the target side. Staff needs were portrayed as basic but essential. As an example of a basic need, which had been threatened, a target manager presented the basic need of a Finnish man for his “Friday evening bottle”, the Finnish way to relax:
Staff is irritated by empty promises. They need their wages every other week, as they want their Friday evening bottle every week. They have their liabilities. (manager T5)

Implementation of early integration was described as deficient and disappointing by the target managers. They also take up the lack of coordinated action and explained how every single unit had the same problems, but were dealing with them by themselves. The target managers produced disappointed accounts after having expectations of a smooth integration:

*I had an expectation of a large group in which the systems are in place.* (manager T3)

Having been disappointed about the outcome of early integration, the target managers also addressed doubts about announcement of changes after the up-coming critical 100 days. A target manager addressed the future “normal operations” a bit sarcastically, sowing doubts about the future. He portrayed himself as knowledgeable of the current situation and ‘the reality’. He portrayed his situation as impossible and distanced himself, as he was fighting against obvious Norwegian predominance:

*There is one integration follow-up left, that’s in early April. Then we are in normal operations; Finland has employees to operate the business and the business will run as usual. This is the idea, but I really wonder if they believe integration is over… It’s difficult to argue against eight guys.* (manager T1)

It was also clear that the acquirer managers were aware of the sentiments of the target employees. In the interview the acquirer managers responded to the claims and expectations of the target managers (without being asked), portraying themselves as aware of current issues, as in this account:

*They are wondering how a company of this size has so little structures ready.* (manager A2)

Whereas the acquisition talks were conducted by the Norwegian deal-making/integration team managers, implementation of integration was described as a task of the Finnish acquirer management. In other words, the high expectations were to be fulfilled by the Finnish managers. In early integration they suffered from the lack of management resources and experience in acquisitions. The acquisition had been an asset deal, and no administrative personnel followed the target organisation. A Finnish acquirer manager admitted the alleged shortcomings:

*I have sensed and received even direct feedback, that well, the early integration has not lived up to the expectations, in the sense that things have taken too long to implement and too few changes have taken place.* (manager A2)
As managers addressed the expectations and integration outcomes, they resort to distancing themselves from blame. In this example, a Norwegian acquirer manager avoided the anticipated blame by distancing himself from responsibility:

_"I wasn’t a part of this, this contract negotiation time so, I can’t say much about that. But afterwards, to get this up and running and to communicate with them on the day-to-day business is just, it was very ok." (manager A4)_

Moreover, target employees were described as expecting “something visible”. The acquirer also needed to “take the next step” in integration by announcing establishment of a new organisation, in which target managers and units would have new official positions. To be able to carry out his duties and fulfill target expectations, a Finnish acquirer manager stressed the need for “a more actively involved integration team”, thus shifting blame towards the Norwegian management. In the following account a Finnish acquirer manager portrays himself as a responsible and capable manager, with an active stance towards fulfilling expectations of the target employees. In the end of the account, he refers to a Norwegian “surfing mentality”, as opposed to his stance to managing:

_"I see it as if someone asks me something, they will receive it and I will deliver it. And if not, I will let them know and we’ll discuss. But somehow I’m sensing here a kind of surfing mentality..." (manager A3)_

**Communication.** Communication was a corporate function mentioned by all the managers in their accounts of early integration. This theme discusses expectations concerning communication and the lack thereof in integration. The target managers underlined their dissatisfaction with the lack of communication during early integration. Expressions indicating 'not knowing' such as “I expect to know more”, “I don’t know who...” and “nobody tells [us]” were frequently used. Also, communication was portrayed as a way to gain attention. Knowledge and knowing were portrayed here as sources of power and a valuable asset:

_"I don’t know, if someone of these would even tell us what is going on in here, it would be really nice. [We don’t get any information] if not asked. (manager T3)"

Communication has often been acknowledged as one of the key tasks of the acquirer during integration. Being engaged in a change situation, a target organisation also assumes that they will be informed about changes. In this acquisition, apparently no-one was officially responsible for communications. An acquirer manager at the Finnish headquarters had unofficially assumed the task of communicating with target employees. The target managers had expected professional, centralised communication. However, without an official plan communication was mostly ad hoc; emails and SMS were sent every now and then. The unofficial communication manager explained that he only had time to act as a hotline to target managers and staff with key issues such as payroll problems. The target managers assumed that communication was the responsibility of the acquirer:
Many things have not been thought about at all: customer letters, connections, webpage updates; it's all left undone. (manager T1)

Managers were open in expressing their frustration at the standard of communication. Communication was unanimously deemed unsuccessful: planning, internal and external implementation, both pre-deal and during integration. Even the otherwise hesitant middle managers voiced their dissatisfaction with communication outright, while expressing in the next sentence their understanding for the lack of managerial resources at Finnish headquarters. Meetings with staff during integration were lacking and there were no plans or information about upcoming integration events. The earlier encounter had not been successful:

You need to plan what to say to staff, you cannot just [stand up and] stagger around (“ei voi mennä öököttämään” in Finnish). (manager T2)

Due to the absence of a plan and official routes for information, two key nodes for informal communication had emerged. The role as an informal informant was busy:

If there is a problem [among target staff], they will call me from any level. They call me more than before. Before they asked their superiors, now they call me, since their superiors cannot answer anymore. (manager T1)

[Name, the former target MD] is losing it there. He gets all the questions. (manager T5)

Moreover, target managers had to be active themselves in keeping the situation under control, not only with respect to staff but also to customers. Although the target managers explained that the customers had been “surprisingly OK”, they were, however, concerned about the quality of the information and consequently about the image conveyed. At worst, the face shown to customers was depicted as uncertain. A project manager illustrated his position between acquirer promises and customer expectations as follows:

We are undermining customers if we say our operations are developing. (manager T2)

Faced with a lack of information, target managers highlighted proactiveness and doing their own homework about the new owner. A target manager illustrated his proactive behavior and being in control of the situation:

I’ve gone through the [acquirer] company presentations to learn what [acquirer] has got to offer. (manager T4)
The target managers described the unsatisfactory situation by explaining that they did not know the acquirer managers. Arguments about the less than optimal communication are direct and show frustration. ‘Messy’ would be an appropriate attribute:

*I don’t know who to blame, since I don’t know who does what and who should be doing what.* (manager T2)

Target managers described that the lack of communication makes staff anxious. The target managers described the spread of rumours among staff and complained that too much working time was consumed in making sense of the situation at the workplace. The crucial importance of communication was emphasised in the following account: “staff wants to know everything that is about to happen, what has happened and who is taking care of what”. Staff were also portrayed as patient, if only they knew that things were being taken care of:

*Nobody tells or explains anything. There is no information if you don’t ask for it. It [communication] would make things much more peaceful, we do talk about these [integration] issues.* (manager T3)

The business unit managers explained the task of balancing between the pressure from the staff and their own insecurity regarding the situation at hand. Knowledge was constructed as a valuable asset. A target manager stated that it would also alleviate uncertainty if staff knew when they would know more. Middle managers expressed a need to regulate the amount of information they provided to staff. Too much information was difficult to absorb. Such accounts make the lack of information legitimate. Target managers, on the other hand, legitimated their negative sentiments by appealing to a lack of knowledge:

*The uncertainty grows, [I am] starting to weigh alternatives, about what’s really going on.* (manager T3)

**Time.** This theme introduces descriptions of time during early integration. It is built on expressions of the target managers such as integration being “slow”, having to “wait” and especially “not being able to wait”. Change is described as an urgent need. With references to time, target managers voiced the “need to do something” in early integration. Managers made frequent references to the “critical 100 days of integration”. At the same time, acquirer managers described time as a less important issue. Staff sentiment, conveyed again through a target manager, expressed urgency:

*[Name, the target] came to a large industrial company and we were told we are in the core business. And now it has been three months, and nothing has happened on the unit level. They [target staff] are not buying this core philosophy any longer. People are frustrated.* (manager T1)

Once again, the target managers supplied staff meanings. A target manager described how some visible details have proven very important for the staff. Staff had voiced its frustration about taking too long to get new work clothing [1.5 months] and new labels for their cars
(three months). The staff was described as dissatisfied with the pace of change, but also eager to have prompt visible changes in their image. Middle managers felt that they were balancing between the eager target staff, which wanted visible signs of change now, and the overworked acquirer, which cannot fulfil the expectations created by the integration team. A target manager voiced his understanding of the acquirer:

It seemed like nothing is happening and now it seems it was long ago. (manager T2)

Middle managers also conveyed the frustration of the target staff about the lack of communication. Each day without information was too much. It was important to have frequent updates about what is going on. Target managers also described themselves as well aware of the need for planning the messages sent to staff. There were numerous warnings about doing the integration wrong. If not planned, the opportunity to win the staff over could be lost. Furthermore, common concern was voiced about an event promised after the critical 100 days that had not yet been planned. The event in question would be held once the official integration was over. Expectations regarding the event were described as extremely high. At the most extreme, staff was portrayed as “losing their patience”. The urgency of time and change was illustrated in the following excerpt:

[We] cannot wait much after the 100 days… Uncertainty cannot prevail too many weeks after the honeymoon (in Finnish: kuherruksen jälkeen), but they need to be able to convey the message in April, in one way or another, down to the last technician, to the last customer. I mean, what the change contains. (manager T5)

In the following, however, the same target manager also conveyed his realism in expecting the change:

It has been a short time, compared to some other processes I have heard about. (manager T5)

The descriptions of time by managers from the acquirer side were less urgent, as they were already implementing the changes and working against time. From the acquirer’s point of view, any timing issues were mainly caused by the lack of capacity at the Finnish headquarters to take care of everything all at once. Also, time for the acquirer managers was depicted as “short”. On the other hand, acquirer managers portrayed the target employees as passive and shifted the blame to the target:

Well, they are, how do you say it, rather passive on their side. That they are expecting that we [Name, acquirer] take the initiative about what we are going to do next and to which direction we are taking this. (manager A2)

To address the apparent urgency, an acquirer manager voiced their need to prioritise correctly, handling the most critical issues first and only later providing the visible signs of the new company. The process would inevitably take time. In the following account, an
acquirer manager's description highlighted the acknowledgement of changes that had already materialised. He also normalised difficulties involved in change:

*I would like you [talking to the target staff] to consider everything positive that we have been able to achieve, and not what we have been able to do yet... This kind of difference in the way of thinking clearly... These are never painless situations and do not happen overnight...* (manager A3)

The acquirer managers portrayed their situation occasionally as out of control; they were 'running after things' or trying to 'catch up'. The circumstances of change were normalised with words such as "impossibility" and "a short time". Time is said to be long for those who wait. In this case, it appears not be as much the actual time that was the main concern, but once again the unprivileged position of not knowing what is going on. In the event of slow change, target managers came up with alternative explanations:

*Decision making in Norway is so slow. It has been three months now. Some issues just take a long time ... from a Finnish perspective it has been extremely slow. We don't waste so much time on basic stuff here. I don't know why it's slow, if it's the Norwegians or [that they have] some problems.* (manager T1)

### 4.1.5 The survival repertoire

**EXAMPLE 1:** I believe they are all extinguishing fires, so to say. They are running where needed the most, I guess. (manager T2)

**EXAMPLE 2:** Every day we hear about things that have not been taken care of. (manager A2)

**EXAMPLE 3:** People did not get the message right in the first meeting. *We went to sauna* and it helped. (manager A4)

Early integration, which has earlier been portrayed as a time for establishing control (the control repertoire) is appears with this repertoire as a disorganised phase. The repertoire builds on descriptions of early integration not being under control, as Example 1 illustrates with the metaphor of "extinguishing fires". Example 2 exemplifies that managers were not managing early integration but rather reacting to issues, even dealing with chaos during early integration. Example 3 also illustrates a reaction ("we went to sauna") to a perceived problem ("people did not get message right").

The repertoire builds on phrases that portray early integration as challenging. The saying "lack of (something)" and the metaphor "to extinguish fires" represent this repertoire well. Target managers depicted early integration as "a lot of hassle" and as a time of "surprises". The unpredictable nature of integration was expressed by references to "a lottery win". Integration management was referred to as "a game" by target managers. Such expressions highlight the juxtaposition of acquirer and target sides. Also, acquirer management was
frequently portrayed in this repertoire as nothing less than clueless. Acquirer management “do not know our business” and “have no idea”. Another metaphor that effectively described the theme of bad management on the part of the acquirer was being “caught with your pants down” (in Finnish: housut kintuissa).

Although managers conventionally resorted to rational meanings and explanations, this repertoire portrayed early integration events as unmanageable. Descriptions of the less than optimal circumstances constructed early integration as an unplanned phase where situations and unforeseen events followed each other and managers could only react to them. It would seem that data generation during the uncertain and ambiguous period of early integration yielded one of the richest repertoires. The target managers in particular described the challenges they faced and addressed the lack of resources (especially managerial) in the combined organisation that impeded the ongoing process of integration. The target managers in particular illustrated issues that the acquirer management had not taken care of and ignored issues that were being handed effectively.

Essentially, the repertoire portrays managers as victims of early integration circumstances, or as bystanders. The repertoire is used by all managers, especially the Finnish managers from both acquirer and target organisations, addressing the ultimate authority to the Norwegian management. The target managers used this repertoire also to construct a reality that was beyond the control of the acquirer managers.

The repertoire is closely related to the professional repertoire (presented in the following subsection), which responses to the need to survive during early integration and in which managers produce descriptions of ‘doing the best you can’ under messy circumstances. The survival repertoire is illustrated further in three themes, circumstances, scarcity of resources and bad management, presented next.

**Circumstances.** In this theme managers describe the circumstances of the acquisition. The circumstances illustrated were not optimal and inevitably made integration difficult. Under the circumstances, managers were portrayed as reactive instead of proactive or on top of integration. In the Norwegian managers’ descriptions of survival, emphasis was placed on explanations of natural scarcity and the inevitable circumstances of integrating organisations. To deal rationally with the situation, the acquirer needed to prioritise the operational issues correctly. In early integration the main task was to "keep it running”. A presence in Finland was needed and a “balance in not disturbing the organisation too much” was required. During this early integration, the highest priority was on dealing with payroll problems, renewal of contacts and invoicing. An acquirer manager argued that the right time to deal with the visible signs of the new company would come later. Mergers and acquisitions as a phenomenon were depicted as "always complex” and "taking time".

*There are never enough resources, information, or change management. (manager A4)*

In addition to the lack of human resources at headquarters, other circumstances were also described as challenging. Adopting a new enterprise resource planning system from Norway was still in progress and not finished before the deal. The target managers conveyed some
sympathy towards the acquirer in this situation. It was depicted as a common enemy in the descriptions:

*When we came, it was a lot of hassle. They were unprepared with their ERP.*  
(manager T1)

Managers also referred to language differences and consequent problems in communication as unavoidable challenges. They frequently mentioned that only at the introductory event had the integration team realised that there was an obvious need for Finnish management in Finland, as the level of the target employees’ English was not high. As illustrated in Example 3 above, the Norwegian integration team realised that the target staff had misunderstood the acquirer message. The situation was resolved in a Finnish way, by going to sauna and having a few beers together. Here it was obvious that the acquirer was merely reacting and hoping to muddle through:

*The meeting [target organised] in [town name] was a lottery win. They [target employees] could drink alcohol and express their feelings.*  
(manager A2)

**Scarcity of resources.** This theme addresses the lack of resources in the Finnish acquirer organisation needed to make integration work. *Scarcity of resources* is closely linked with the previous theme, *circumstances*, because it was portrayed as the most important circumstance inhibiting the success of integration. As it was mentioned frequently it is treated as a separate theme. *Circumstances* refer more to general issues and *scarcity of resources* more to internal matters within the acquirer organisation. During a change, resources are seldom enough to make all parties happy. Scarcity of resources was used here in accounts by both acquirer and target managers. Actually, the scarcity of human resources had virtually stopped the acquisition process during the deal-making phase:

*It was so difficult that in the middle of the process we actually more or less broke up because we kind of discovered that there was, there was no staff support whatsoever, coming over.*  
(manager A1)

To elaborate on the background, the target was not a legal entity; it was an independently operating business unit. This meant that the target administration personnel were not transferred in the deal. On the other hand, the Finnish acquirer organisation was based on a relatively small family-run plumbing company, a quite recent acquisition by the German multinational group in Finland. Compared with the Norwegian (serial) acquirer, the Finnish acquirer headquarters and the Finnish target were inexperienced in acquisitions. In these circumstances, the Finnish managers especially described their own and other’s behaviour as reactive, working with “surprises” and “extinguishing fires” and that “something new always turned up”.

*The Norwegian CEO told us yesterday in a follow-up that it was a surprise that we needed to start from scratch.*  
(manager T1)

*I talk to my superior just like I talk to you. Honesty is the easiest way. I know he takes it forward, but there’re no people to take care of the issues.*  
(manager T3)
The administration in the Finnish acquirer organisation was depicted as quite basic. At the headquarters there was a new managing director and a recently employed HSEQ manager, who was responsible for safety policies and quality issues. These managers were said to manage early integration with relative independence, with the exception of the chief financial officer, who came from Norway. During the first few months, the Finnish headquarters announced and later also filled open positions for CFO and purchasing and IT managers. Some Norwegian acquirer managers pitched in to reduce the burden at the small Finnish acquirer headquarters. However, the situation seemed discouraging:

*Two hundred people should be inserted into this structure, which does not exist.* (manager A2)

*We are three people taking care of 300, and a lousy previous year.* (manager A2)

In this theme, managers portrayed themselves under pressure. A Finnish acquirer manager illustrated the considerable pressure exerted by the target company to implement organisational changes, to do something visible, and take the next step in the acquirer strategy. Circumstances were portrayed as compelling and daunting. The target was described as frustrated and disappointed with the Finnish acquirer. In the worst case, target employees would resign. Target staff was described as wondering how a large company had so few structures in place for an acquisition.

*We need to make some changes, or the target will think 'oh this is it'*. (manager A2)

The target managers highlighted the need for a new organisational structure and visible signs of the new company with which they could start affiliating. However, most of the Finnish acquirer managers’ time was consumed in “extinguishing fires” and “running to where they were needed the most”. In addition to intangible resources, managers voiced their amazement at the lack of hardware and also software, that is working IT systems, laptops, mobile phones and credit cards. Also, target managers working with the Norwegian integration team described the integration plan as “a simple seven-tick excel sheet”. This plan did not provide the Finnish managers with any practical help in integration. In the following excerpt integration planning was portrayed as a game with Norwegian and Finnish managers on opposing sides:

*They report to themselves that all [in integration] is done. They play a game among themselves. They prepare nice presentations and say it’s done. To me its looks like a game, where a guy has a task, and they need to report that all is ok and just as agreed. The integration plan is an excel sheet with seven ticks, all done.* (manager T1)

**Bad management.** The name of the theme refers to the portrayal of integration management by the target managers as 'lousy'. The descriptions in this theme refer to managerial action – or the lack of it - on the part of the acquirer management. The target managers frequently illustrated how the acquirer "does not understand" and how acquirer managers “had not been prepared at all”. This is also related to the deal-making period, where
the acquirer boosted expectations or “made promises” to the target of a well-planned and smooth integration.

*It was a surprise to [Omega] how many we were in the target.* (manager T5)

*For the God’s sake you need to plan an acquisition like this longer than a few months.* (manager T3)

This theme, constructed mainly by the target managers, illustrates how the acquirer management was not on top of issues during early integration. Descriptions portrayed distrust towards the new owners, both the Norwegian and the Finnish acquirer managers. Both internal and external communication was limited and conveyed insufficient information to target staff about the situation. Acquirer managers had promised to visit the important business units, but had not done so. In addition, the acquirer was accused of having no understanding of the target business:

*[The integration] leader needs to know what has been bought.* (manager A2)

*I don’t think Norwegians know what our business is, [name, a Finnish acquirer manager] knows that we do electric automation.* (manager T1)

Some descriptions, especially those of lower level managers, also highlighted the gap between upper and lower management. Gaps of this kind are familiar in everyday organisational discourse. An illustration of bad management and even resistance was provided by a target manager. He stated that “these managers” (referring to the Norwegian acquirer managers) lacked understanding of the working environment and therefore their involvement “would not improve it”. Acquirer management was portrayed as incapable and ‘clueless’ in early integration:

*It is a fact that this [our working environment] is such that they do not have an understanding of it, these [upper] managers, at least a practical understanding, that if they came to mess things up, it would not improve it.* (manager T5)

Furthermore, whereas the upper target managers were described concerned with strategic issues, the target project managers discussed concrete, practical worries at the same time. A project manager illustrated an incident where a staff member had waited two months for his overtime compensation. In addition, the importance of collective bargaining (in Finnish: työehtosopimusneuvottelu) was discussed and termed important for staff. In the accounts of target managers, the acquirer was not sufficiently concerned with the issues that meant the most to them.

*Money is the thing we come to work for; I’m sure they don’t understand this at headquarters.* (manager T3)

All in all, target managers voiced frustration about the slow pace of integration and change and about the lack of interest and attention on the part of the acquirer. Neither did the
acquirer demonstrate willingness to heed the needs of the target managers and staff. The uncertain situation was not helped by the unclear chain of command and roles in the integrated organisation.

4.1.6 The professional repertoire

EXAMPLE 1: My way of working is such that I want to do things, and not hide behind the fact that this is not my business. (manager A3)

EXAMPLE 2: If we had not been active it would have gone really wrong... We had to do all by ourselves. (manager T5)

EXAMPLE 3: We are starting this company again with old experience (manager T5)

Whereas early integration in the survival repertoire was portrayed as messy and ambiguous, the professional repertoire depicts early integration as a time of dealing with challenges involving personal and organisational professionalism. The examples above highlight the inner force of managers driving them forward during a difficult period. As illustrated in Examples 1 and 3, the repertoire builds on an expressed spirit, self-esteem, and even superiority related to the managers own traits, experience and ways of doing business. Example 2 exemplifies how target managers in this repertoire portrayed themselves as active partners and as doing their best in the situation.

The professional repertoire is closely related to the survival repertoire. Whereas the survival repertoire centres on challenges and portrays managers as mere victims, this repertoire presents managers as fighters, despite the challenges. In this repertoire accounts emphasising one's own role and indispensability during early integration are central. The emphasis is on "me" and "we" as active subjects. The target managers portrayed their professionalism at the positive end by producing descriptions which addressed "doing your things as before" and having "professional employees... take care of things despite the new owner". Coping during early integration was portrayed as the result of target managers' own character and resourcefulness. When explaining their actions during early integration, managers referred to issues such as taking initiative in their own role, bearing responsibility and having a high level of expertise in their own field. The theme pride further describes the inner logic of this repertoire.

Pride. This theme echoes both managers' professional (personal) and organisational pride as a legacy from their past. This theme illustrates the positive and enabling power of managers' persistence in the challenging circumstances, facing a scarcity of resources and bad management.

The target managers opined that integration was not taking place at the anticipated pace and depth, and the acquirer headquarters let them continue as before. They also suggested that the target was doing most of the work in integration. If any changes were to take place, the target managers had to be firm and focus action on advancing their cause, otherwise nothing
would happen. The professionalism of the target was depicted in Example 3 above as having prevented the new company from making huge mistakes.

The theme builds on accounts of superiority. Managers described how they had exceeded their limits and had done more than their normal duties. The theme included descriptions of self and one’s own capabilities and also descriptions of the target company, its organisation and of their own business culture. The target managers especially mainly referred to themselves as hard working, independent and (pro)active experts, who would survive through thick and thin. The target staff were described as professional and capable of effective cooperation. As the acquirer was not going to help, the target would do it themselves.

The positive accounts portray target managers as survivors by virtue of their own action or managerial traits. All managers were more or less able to portray optimism by explaining that the hard times they were going through would eventually lead at least to personal learning. Finnish managers also made sense of the change situation by referring to issues related to Finnish national pride and appreciation for the Finnish national character. Pride was illustrated especially by the target project managers:

* Luckily we have professional employees who took care of the issues one way or another... It is about the professional pride that we take care of things despite the new owner. (manager T5)*

* It is all up to us in the future. (manager T5)*

* I do not wish merely to complain but just to get things done. (manager T3)*

Especially, the middle managers portrayed themselves as open-minded, having few expectations concerning acquisition and any potential threats. Corporate pride was demonstrated by saying that the customers would be served as before. The accounts of middle managers were also the most humble; they expected the least from the acquirer and built their accounts carefully. Their position in the middle of the organisation and at the same time under a new owner was echoed in their accounts. The middle managers humbly accepted the organisation’s priority:

* You just do your things as before. (manager T3)*

A middle manager described his role as a mediator between the target staff and the Finnish headquarters. He experienced his role as “good”, acting as a sounding board in making decisions whether to forward issues to the headquarters. He also expected that his channels to headquarters and leveraging power there would be used by staff. He described himself as the key node in adopting new policies and making sure they “are getting rid of bad policies” and any challenging issues would be “tackled somehow” (taklata in Finnish). Moreover, changes in middle managers’ own work were described as “not significant”. Integration had not caused too much work personally, only “a bit of standing around”, thinking what to do. Their “no worries” attitude appeared a necessary strategy during the messy phase:
I do not think about it overnight, about what this means. It would not work. (manager T2)

I have such a personality that I don’t worry... I don’t think. (manager T4)

This theme includes also descriptions of indispensability in the new organisation. The Finnish managers, both acquirer and target, described their own role as significant in dealing with the challenges of integration. Many accounts mentioned the acquirer’s lack of understanding of the target's business and the obvious absence of a common language between the Norwegians and the target staff and certain managers. Their own positions in the organisation were depicted as highly significant:

Norwegians cannot get into the business without me yet. (manager T1)

In this theme, resistance, especially towards the Norwegian management, was reflected in descriptions of the managers’ roles in the new company. Some target managers gave accounts of making sense and being confused about their own and others’ roles, what their tasks and their authority comprised. A target manager described the confusing situation as follows:

The old MD got tired of not knowing what he can decide and what to ask [Name]. A nice guy in all ways, but this makes managing difficult. [Name, new MD] is looking forward to finishing the integration and the Norwegians leaving, and then we can decide ourselves. The indecisiveness is gone. (manager T1)

The Finnish acquirer managers described themselves as taking the initiative despite the lack of help from the Norwegian management. A Finnish acquirer manager described his duties as "a lot of work, many ad hoc duties and mainly solving problems". Some managers stressed that they were doing more than their share during early integration, and at the end such flexibility would at least result in "own personal learning".

However, some managers described how they were specifically expected to do more than their role required; they also refused to take responsibility for tasks that had not been officially assigned to them. A target manager described how he had been prepared to pitch in and be active in the integration but also remarked that he had not been assigned a clear position or role in the process. In his account, the manager described the limits of his own authority:

It’s difficult, when I see that it’s not going as it should, but they don’t ask me for advice, and I don’t want to point out every detail. (manager T1)

In sum, in this chapter I have presented six interpretive repertoires, namely control, autonomy, cultural, expectation, survival and professional, which managers involved in the integration used to evaluate events in different ways. Now, I turn to analysing the follow-up interview text.
### 4.2 Managers’ repertoires in the follow-up interview text

In this section, I will identify repertoires on integration in the follow-up interview text in order to compare them with the repertoires identified above, which specifically describe early integration. This includes the text of interviews with managers generated more than a year after the acquisition deal. The material was analysed in the manner of the early integration interview text. It should be noted that all managers in the follow-up interviews were Finnish. Hence the analysis represents the talk of the Finnish acquirer and target managers, who remained in the company in Finland.

This study concentrates specifically on early integration interview talk. The follow-up interviews were conducted and analysed to identify changes in repertoires and their use. Changes can in fact be identified in repertoires from the early integration interview text to the follow-up interview text and are illustrated in Table 10. The control and autonomy repertoires were not produced as frequently as in early integration. These repertoires have essentially faded away. They represented talk immediately after the deal-making and the Norwegian managers were active in generating it. The expectation repertoire has also faded away, with the exception of the theme communication, which still prevailed.

<table>
<thead>
<tr>
<th>Interpretive repertoire</th>
<th>Early integration interview text</th>
<th>Follow-up interview text</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control</td>
<td>identified in early integration</td>
<td>fading in follow-up interview text</td>
</tr>
<tr>
<td>Autonomy</td>
<td>identified in early integration</td>
<td>fading in follow-up interview text</td>
</tr>
<tr>
<td>Cultural</td>
<td>identified in early integration</td>
<td>used during later integration</td>
</tr>
<tr>
<td>Expectation</td>
<td>identified in early integration</td>
<td>fading in follow-up interview text</td>
</tr>
<tr>
<td>Survival</td>
<td>identified in early integration</td>
<td>used during later integration</td>
</tr>
<tr>
<td>Professional</td>
<td>identified in early integration</td>
<td>used during later integration</td>
</tr>
<tr>
<td>Resistance</td>
<td>not identified</td>
<td>new repertoire</td>
</tr>
<tr>
<td>Learning</td>
<td>not identified</td>
<td>new repertoire</td>
</tr>
</tbody>
</table>

**Table 10.** Changes to repertoires identified in interview text

Three early integration repertoires were identified also in the follow-up interview text. The cultural repertoire was still used frequently by the Finnish managers; increasingly resistant tones regarding the actions and behaviour of Norwegian management were apparent. Now the Finnish managers frequently used the survival and professional repertoires to describe ongoing integration and local operations. In addition, managers produced two new repertoires of integration, namely a repertoire of resistance and a repertoire of learning. Table 11 summarises the essences of these two new repertoires. The repertoires identified in the follow-up interview text are discussed in the following subsections.
4.2.1 The control and autonomy repertoires

The control repertoire in early integration was used by all managers, but was fading away in follow-up interview text because its main users, the Norwegian managers, were not included in generating the data. Instead of the early integration repertoires of control and autonomy, the Finnish managers resorted more to accounts of responsibility for takeover or control during this follow-up round of interviews. Responsibility was now an overarching theme in the talk of the target managers. The Finnish managers addressed this responsibility to the new owner, especially the Norwegian negotiation and integration team. The Finnish managers were now producing accounts in which their own actions were dependent on the actions of others:

\textit{If they did a better job, we could do a better job. (manager A2)}

The Finnish manager below was still not satisfied with the autonomy passed on by the acquirer to the target management. Here power was not wanted because the acquirer had not given the target any instructions. A target manager explained his reluctance to take responsibility as follows:

\textit{They gave us power as they did not tell us what to do - but the opposite. (manager T2)}

Dissatisfaction with the Norwegian management was still produced repeatedly in the follow-up interview text. As they now expressed resistance more straightforwardly than in the early integration interview text, the Finnish managers produced a new repertoire addressing resistance towards the Norwegians. This new repertoire is presented next.

4.2.2 The resistance repertoire

\textit{EXAMPLE 1: All the report templates [Name, Norwegian CFO] which they made for our use, we’re not using them. (manager T1)}

\textit{EXAMPLE 2: Norwegians are acting as a middle man in every issue (manager A2)}
This new repertoire was identified in the follow-up interviews. It portrayed integration as a time for distancing the Finnish organisation from management control by the Norwegian acquirer. It was suggested that in early integration, the accounts of the target managers referring to a lack of clout, responsibility and cultural differences signalled some degree of resistance. Now after more than a year, Finnish managers built openly accounts of resistance to integration in addressing their relationship to the Norwegian regional headquarters. Accounts were built on reluctance and refusal (“... we are not using them” and “we have decided that we don’t listen...”) to act according to the advice and decisions of the Norwegian management, as illustrated in Example 1 above. The desire of Finnish managers for more independence and the current role of Norwegian management are highlighted in Example 2.

The repertoire builds on drawing boundaries for own 'normal' behaviour and for the 'irrational' or unacceptable acts of the Norwegians. To describe the context, an acquirer manager described how the Finnish subsidiary got help too long and that getting help "prolongs things". The sooner the Finnish headquarters assumed control of the target the better. Also, Norwegian expatriate help during integration was not without cost and caused a drop in profits for the first year. Although the manager stated that Finland had received good advice from Norway, the Norwegian help was no longer appreciated. The Finnish management produced accounts of making it on their own. The Norwegians were not sought as "middle men" between Finland and Germany. The period after departure of the Norwegians was referred to as "normal":

It took long time to get here. When [Name, CFO] left, it’s more normal. (manager T1)

To illustrate the context further, the Finnish managers explained that they had received a lot of help from Norway in gaining control over finance issues. At the same time, the Norwegian management controlled the target and assured that the new combined Finnish subsidiary would adopt the new system and all the necessary SAP reporting requirements. A Finnish manager explained the problematics of being integrated with Norway; “into business thinking that was not applicable to Finland”. After some eight months of discussion back and forth on reporting and training the other party, the Finns had returned to their own model. In the end, the newly developed Norwegian reporting procedures were not adopted.

The financial control exerted on the Finnish subsidiary by the Norwegian group was depicted as "strong". During early integration the established control mechanisms were not questioned, nor was the level of financial control. However, the current reporting requirements were questioned by the Finnish managers. Most Finnish managers would have "rather do[ne] the business about which they are reporting". The Finnish managers portrayed themselves as direct and practical achievers compared with the upper management from Norway. This was illustrated in the following quote, which contrasted idle Norwegians with Finns who were doing their jobs:

The Norwegians have been running around in our way. (manager A2)

For the time being it was up to the Finnish management to demonstrate that the Finnish operations were worthwhile, as the intent was to shed all loss-making units by the end of the
year. A common aim unites accounts of Finnish managers from the acquirer and target sides. Managers described how the German group was becoming more active with respect to Finland. Some German managers had paid a visit to Finland. The Finnish managers said that the Germans', as opposed to Norwegians', way of thinking was depicted as "direct", like that of the Finns. Their descriptions reveal obvious distancing from the Norwegian acquirer and attempts to identify more with the German group. The Finnish managers openly voiced their concern about the confusing advice coming from Norway to Finland. An acquirer manager portrayed Finnish management as a united group of people having made a good, conscious decision to adopt a new perspective:

_We have decided we don’t listen to Norwegians but follow German policies. German ways are more appropriate for us._ (manager A2)

Cultural understanding of the Norwegian management and their methods of working cannot yet be detected in the accounts of the Finnish managers. Cultural distancing talk, also obvious in the repertoire on resistance, is described next.

### 4.2.3 The cultural repertoire

**EXAMPLE 1:** There is something weird with the Norwegians. (manager A2)

**EXAMPLE 2:** I am aiming to develop our guys’ communication. Norwegians don’t bother, they can still send a telefax (manager T1)

Through the cultural repertoire, the managers describe integration as involving sensemaking of the actions and behaviour of ‘the other’. This is illustrated by the Finnish managers in ‘us versus them’ talk, juxtaposing Norwegian behaviour with their own. In Example 1, a Finnish acquirer manager portrayed a clear distance from the Norwegians, whose behaviour was suspicious. Example 3 portrayed the Norwegian work environment as old-fashioned. The target manager was exaggerating in his statement about the telefax, although his description was effective. Finnish operations were portrayed as more advanced and the Finnish managers as reluctant to follow the Norwegian path.

As in the previous, resistance repertoire, the accounts of Finnish managers clearly distanced the Finns from the Norwegian group and the Norwegian managers, who had officially controlled the Finnish operations due to their status as regional headquarters for the Nordic countries. The Finnish managers were united in their wish to end the existing Norwegian control in Finland. As described in the previous repertoire, the Finnish managers said that it would be easier for them without "the Norwegians running around in their way".

To elaborate the context further, the Finnish managers pointed out that they were aware that they were not a significant player in the group, but were nevertheless now eager to attract attention from Germany instead of Norway. Finnish managers were now expecting "a fiat", (mahtikäsky in Finnish), i.e. direct orders and decisions from Germany. A manager illustrated Finland’s role by stating that it was "the lowest in the hierarchy". The Finnish managers portrayed voluntary subordination. The Germans had paid a visit to Finland, and a target
manager described how the German group also wanted to know “what kind of a kiosk they had bought”, emphasising the smallness of the Finnish subsidiary.

Cultural repertoire enabled comparisons between the closely related cultures of the Nordic countries. Norwegians and Swedes were described as prone to engage in lengthy discussion and were less willing to make decisions than Finns. Whereas Finns were direct, Norwegians were diplomatic and did not show feelings in a group. Also, Norwegians were depicted as less practical than Finns. As a contrast, the Finnish managers compared their culture to that of the group headquarters in Germany. They portrayed their own culture as rational, simple and direct, reflecting how business should be:

"Finns say it in a direct way to make sure it’s understood. It’s simpler with Germans." (manager T2)

Managers visioned a divorce with the Norwegians when describing expectations that reporting would be directed to Germany, instead of via Norway. They mentioned that Excel spreadsheets were currently going "in all directions". A target manager voiced that in Finland no benefits from excessive reporting were seen. They criticised the reporting culture of the acquirer and described it as old-fashioned as opposed to the modern business culture of Finland. This target manager created the image of a superior, Finnish approach to business:

"They sent a guy with Excel sheets here, just like in the 80’s, nobody was interested in listening to him." (manager T1)

4.2.4 The expectation repertoire

EXAMPLE 1: All managers should be in it [management team] to ensure communication flow to all units. (manager T1)

EXAMPLE 2: It was a surprise that they did not have a plan, even though they told us they had made several acquisitions. (manager T2)

The expectation repertoire was used frequently during early integration. Here in the follow-up interview text, managers resorted merely to references to expectations referring to communications as in Example 1. Example 2 clearly portrays how a target manager juxtaposed promise and outcome to address expectations. He portrayed deal-making talks as promising ("they told us they had made several acquisitions"), but portrayed the outcome as a disappointment ("It was a surprise that they did not have a plan"). The expectation repertoire was, however, fading and being replaced by the repertoire of learning (presented later). The accounts constructed in follow-up interviews suggest that the managers were beginning to recover from early integration disappointments, which were the focus of the expectation repertoire. Coming into a larger international company, expectations concerning not only business and personal work opportunities, but also work environment and support functions were high. Also, in a change situation people in an organisation expect to have relevant information on the situation and the changes about to take place.
During the early integration, the managers expressed strong disappointment with the lack of communication. The acquirer had not met their expectations for communication during the integration process. They had neither a strategy for external communication with customers nor had they assigned anyone to take responsibility for internal communication. In the follow-up interview text, the managers further described external and internal communication and spoke mainly of negligence. The target managers portrayed communications as a compulsory part of organisational life, as a necessary function. The target managers pointed out that everyone in the target units expected information from the acquirer management, but received nothing. Again, communication was depicted as a one way process from the acquirer to the target and as the responsibility of the acquirer. Target personnel were portrayed as organisational actors with legitimate expectations regarding the sharing of information, although at the same time as rather passive recipients:

[There’s] a lot to develop further in internal communication. They still assume they [target personnel] get info somewhere. There’s no process of making sure they did and whether it was understood right. (manager T2)

An acquirer manager also portrayed target personnel as recipients. He described a worried group of people who needed encouragement. He construed communication as a chore that required constant attention:

You need to tell them it’s OK and no worries that it’s going to be ok. (manager A2)

4.2.5 The survival repertoire

EXAMPLE 1: In a 100 meter run, we are still on the starting blocks. (manager T2)

EXAMPLE 2: From those starting points, nothing else could be done. (manager A2)

EXAMPLE 3: We are shooting with a shotgun to all directions hoping we hit something. (manager T2)

During the first round, descriptions using survival repertoire focused on internal issues, but during this follow-up round of interviews, the managers also described the external market situation. At the time of the follow-up interviews, more than a year after the deal, the market was described as flat. Whereas during the first round of interviews, managers had portrayed themselves as victims of integration circumstances or mostly bystanders to the situation, now the name of the game had changed. The earliest accounts of this repertoire portrayed early integration as a disorganised phase, with surprises and ‘lottery wins’. Now, the managers also saw themselves as participants in an organised race, a 100-metre dash (Example 1). The managers portrayed themselves as more active survivors and references to a lack of resources decreased.
Example 3 portrays doing business as an act of hunting. Through an illustration of hunting with a shotgun, a target manager portrayed current operations in the Finnish organisation as lacking in direction. The manager built the account to highlight that he was a participant in irrational behaviour under the guidance of the Finnish management. However, he played up his own expertise in the account by referring to his recognition that this kind of behaviour was not productive. Another way to refer to survival was to address the other side in a game in which the account producer was not willingly participating. Hence the manager portrayed integration as survival:

*I understand they need to show it was under control. They are playing their own game... But I did not want to take the blame. I'm responsible for these units and of course they ask me why.* (manager T1)

In addition to games, hunting and sports, another survival-related metaphor that turned up in talk during the second round was 'fire'. The managers described how they had been "extinguishing fires" now for 18 months, which was an effective way to describe the reactive nature of integration:

*I mean, now now it's kind of like what is tightrope walking. ("nuorallatanssimista" in Finnish) so so you need to always think where to put your attention and where the fire which you need to extinguish is, or whether you should let the fire burn there for a while and concentrate on this other thing, so that we go on building the extinguishing system, and and...* (manager T2)

The repertoire is used by all Finnish managers from both the acquirer and the target organisations. Here, Finnish managers created a reality in which they survived as more or less one team. Using this repertoire, managers also distanced themselves from challenges and highlighted their own lack of control. In Example 2, an acquirer described early integration as desperate. He pointed out that the circumstances of acquisition were not at all what he had expected when he entered the acquirer company before the deal. He had ended up in a situation where a small management team had to build up the company independently, from scratch. An acquirer manager builds an account of blaming the Norwegian managers for a lot of mistakes. "*They*, the others, were accountable for mistakes. The Finnish acquirer ("*we"*) did not see the problems, although the mistakes and consequences were local and visible. Blame was completely avoided:

*They made a lot of mistakes to begin with. We did not see it ourselves, but the mistakes made staff unsure and caused them to wonder about the company.* (manager A2)

To further describe the context, the acquirer operated in the maintenance business, which had a long-term perspective and made contracts on a continuous basis. The target was a project contractor, which dealt with general agreements and services paid by the hour. This had caused a great many problems in payroll administration, which according to the Finnish managers were still not resolved. The Finnish managers all described how the acquirer
ignored the nuances of Finnish business and forced their own ideology on the target. The cluelessness of the Norwegian managers was produced here as follows:

_Sometimes I wonder if the acquirer really knew what they were buying._ (manager T2)

The Finnish managers criticised the Norwegians for not taking an interest in the local intricacies of Finnish operations. The Finnish managers were concerned about the lack of control; "nobody [was] in charge of integration" until August 2012, which was eight months after the deal had been concluded. Although people were in charge officially, according to a number of Finnish managers, responsibility for many issues was avoided. Target managers said that too many issues had been left entirely to them:

_These Norwegian guys were so big nobody wanted to do the operational tasks of integration._ (manager T1)

The life of target managers was not as easy as it was in the old days. The market situation had been better when the deal was made. Now there was a slump and "the targets set had gone down the drain". Hence managers now described both external and internal challenges. Due to the economic slump, the target’s former business units had to use considerable time for cost control and basic sales. A target manager described how he had to concentrate on "collecting all the small streams ("puro" in Finnish) to build turnover". Although new sales skills were obviously required, there was no time for training business unit managers. The business unit managers described how they had learned to prioritise and allocate scarce time between business development, sales and the search for new clients. There was a need for guidance from the top but little was forthcoming. The change had still been slow. The managers described having considerably more work than before and no slack time. There was a hint of hope in the following description of the market situation:

_We have really been low, we have been deep in the mud (in Finnish "pohjamudissa", which signifies being 'as low as you can get'). The only way is up._ (manager A2)

Whereas managers used this repertoire to portray themselves as dependent on circumstances and bad management, the professional repertoire below still empowered them.

### 4.2.6 The professional repertoire

**EXAMPLE 1:** Nothing followed us from [Name, old organisation]. (manager T2)

**EXAMPLE 2:** It feels funny telling them for eight months that it does not work. (manager T1)
In Example 1 above, a target manager emphasised the considerable work load borne by the Finnish organisation during integration. Everything had to be built from the scratch. During the follow-up round of interviews, the Finnish managers used professional repertoire to emphasise their accomplishments. The target managers highlighted their role in Finnish operations; they had exerted control over a substantial number of sites and units in the integrated organisation. They also mentioned their efforts to increase the new owner’s understanding of project-type operations and the reporting entailed by the target business. A target manager described how they had left the previous owner and world behind only to realise rather quickly that there was nothing ready in the new. They had to make it work.

During early integration, accounts addressed organisational pride inherited from the target organisation. However, in the follow-up interview text, pride was mainly expressed in current operations. All Finnish managers portrayed themselves as active and perseverant experts in the ongoing business (see Example 2). They expressed how they had bent over backwards to make things happen during integration. Accounts emphasise their efforts and their strong work ethics, as also evident in this quote:

I reported [Name, target] units to [Name, acquirer manager] every month, it was not agreed to be my responsibility, but I understand that nobody else understood these units’ operations. (manager T1)

The follow-up interview text discloses that the Finnish subsidiary now appears united. The managers addressed all of Finnish management as “we”. In many issues, the Norwegian management was portrayed as a common target for blame by all the Finnish managers. Also, understanding of acquisitions and the integration situation had increased. Now the Finnish management had a common goal, as they needed to show that the Finnish operations were profitable and worth keeping.

4.2.7 The learning repertoire

EXAMPLE 1: Next time what we’ll do much better is this; all kind of tapes, signs, erasers, pens, business cards, logos, stationary… Next time we’ll have them ready the next day after the deal. Somehow we’ll make sure that the logos are everywhere and work clothing is available sooner than now… that’s what people in the units [expect]… visible. (manager A2)

EXAMPLE 2: You mess something up in every acquisition. (manager A5)

With this new repertoire, integration was portrayed as a phase from which the Finnish managers were now moving beyond. The integration appears as an initial stage on the path of the Finnish subsidiary. If integration in the accounts of Finnish managers was not a success, it had at least served as a learning situation. Also, the perspective had been shifted from the present (expectations and disappointments) towards the future. While in the early integration interview text, integration was on many occasions described as a disaster, integration in this repertoire was portrayed as ‘a rehearsal’. The Finnish managers emphasised that they could now do it on their own as they had learned the process. They
referred to “the next time”, emphasising the continuing and expanding nature of the Finnish operations. An acquirer manager described that next time “we’ll do better”.

This repertoire makes it obvious that time has passed after the messy start of early integration. Early integration concerns were put into perspective and normalised as in Example 2: “something is always messed up”. An acquirer manager described his own difficult situation; he was new in the company and did not know about the acquisition process and what had been agreed. Also, they were not personally accountable, as acquisitions and integrations were portrayed as inevitably difficult:

*The first year is always shaky. (manager A2)*

Rather than explicitly admit mistakes or shortcomings in integration, the Finnish managers resorted to explanations of learning for the next acquisitions. As illustrated in Example 1, managers portrayed themselves with this repertoire as “prepared” and ready for future acquisitions. Learning was portrayed as the accumulation of organisational and personal capital. The managers described how in future everything would be planned to the last detail.

Here, many accounts build on future orientation. Especially the target managers, who had a long history in the previous owner group and were used to operating domestically, had been placed in a learning situation in this post-acquisition integration. Learning took place not only organisationally, but also personally. The managers referred several times to learning from the acquisition and integration process. At this point, they mentioned recognition of the need for a detailed integration plan to implement radical change in the beginning as the main outcome of their learning process. The managers agreed that it was challenging to acquire an organisation that was so much larger than the acquirer. The manager had learned that in a successful integration one needs to be strong and independent to gain control of the target. If you let the target business units remain independent, integration would take longer time and change would be seen as more difficult to carry out. A manager had learned that integration entailed compulsory pain:

*Some things have to happen immediately, it will hurt... away with old, in with new. (manager A2)*

An acquirer manager produced descriptions of trust in the future and in the good people in Finland to turn the situation around. He further built faith in local business, stating that the Norwegian headquarters had no need to be concerned about the Finnish figures. Finns were described as “always two steps ahead of the owners”. Determinism and optimism about the future were illustrated in the following:

*We need to make this work and enjoy the next years (manager A2)*

To summarise the findings in the follow-up interview text, I was able to identify some changes in the interpretive repertoires. Of the early integration repertoires, the cultural, survival and professional repertoires prevailed. The survival repertoire was frequently used by Finnish managers to portray challenges to integration. This demonstrated the persistent messiness
of the on-going change phase. The professional repertoire was used by the Finnish managers to highlight their managerial capabilities and their ability to keep situations under control. The presence of the cultural repertoire was an expected finding. It is most likely identified in most cross-cultural change contexts.

The control, autonomy and expectation repertoires were fading. This was partly because the follow-up interviewees were Finnish; the control repertoire was essentially a resource of the acquirer managers. However, fading of the repertoires also signified that some of the language use was specific to early integration, highlighting the findings on that phase. This was especially the case with the expectation repertoire. Expectation-laden talk, especially by target managers, portraying highly positive prospects for acquisition and integration and substandard outcomes during early integration, now gave way to the learning repertoire. The target managers had apparently turned their perspective from the disappointments of early integration towards the future, portraying themselves as accountable for the future of the Finnish subsidiary. This was interpreted to signal that the Finnish managers were identifying themselves more with the new organisation as integration proceeded.

Two new repertoires were identified: the resistance and learning repertoires. Versions constructed with the resistance repertoire (disobedience) in the follow-up interviews revalidated representations of the challenging early integration and the dissatisfaction expressed in earlier interviews. The learning repertoire, in turn, constructed integration as a phase in which the Finnish managers were already looking and moving beyond. Instead of concentrating on current challenges, the managers displayed a future orientation. Rather than explicitly admitting mistakes or shortcomings in integration, the Finnish acquirer managers resorted to representations of learning for future acquisitions. Integration in this case was addressed as the point of departure for the Finnish subsidiary’s path, as part of the personal and organisational learning process.
5. Interplay between the early integration repertoires

Having identified the early integration repertoires in the interview text in Chapter 4, I will now turn to explicating their uses and functions in managers’ accounts. Essentially, discourse analysis involves making assumptions about the purposes and consequences of language. To address this action orientation of language use, this chapter aims at explaining the interplay between the repertoires, and describing how managers use the early integration repertoires for their purposes.

Analysing the interplay involves explaining the effects of repertoires on each other, their interaction, and the sequence of repertoires in accounts. In this study, this analysis explains how managers maintain a credible stance in interaction and deal with the uncertainty of early integration. The varied mix of repertoires in the accounts were used recurrently to characterise and evaluate actions and events in early integration. Variability is an important feature of an interpretive repertoire. This was recognised in Chapter 4 by identifying six early integration repertoires, which all had their own particular functions in managers’ talk. Variability, however, can be found not only between people but also within a speaker’s account. Speakers are also suggested to actively select which repertoires to use (Wetherell & Potter, 1988).

The repertoire use should be interpreted also with respect to the interaction context. An interview is a delicate process because of the social interaction between the interviewer and interviewee. Also, the interplay between the repertoires depends generally on the course of the interview. The interviewer in this study is considered an active participant in the interviews (Silverman, 1993) and involved in the construction of meanings.

The interaction context in this study involves social interaction between an acquirer or a target manager (together forming an all-male panel) and myself. I acknowledge that my role as a female interviewer from a business school had an effect on the managers’ accounts. As a female, I was an empathetic listener. Sometimes the interview situation even resembled a therapy session, which generated rich data for the study. In these situations, the interviewees opened up to me and shared their experiences about the messy early integration period. This lead to vivid explanations and meaning making, and consequently, to the identification of a diverse set of six early integration repertoires depicting early integration (see Chapter 4). Further, my role as a business school researcher seemed to provoke managers into constructing analytical accounts, using several repertoires and referring to different sides of the same story.

In the following sections, I will present findings from the analysis of the accounts related by the managers in the interviews. I will use several examples from the interview text to explicate how the early integration repertoires were intertwined during the interviews. To clarify the following analysis, Table 12 provides a summary of the six sections, each of which explicates a specific finding about repertoire interplay.
When analysing the interplay of repertoires, I discovered regularity in the way managers compiled their accounts in the interviews. The first examples illustrate the control representations of the Norwegian acquirer managers in early integration. Second, I will provide examples of the accounts related by the acquirer managers in which they construct representations using the cultural and the autonomy repertoires. Third, I will describe the use of language by the Finnish acquirer managers, as it differs from that of their Norwegian counterparts. Fourth, I will turn to an explication of how the target managers constructed representations of the early integration challenges, and finally how they constructed accounts using the professional repertoire.

### 5.1 Norwegian acquirer managers rely on the control repertoire

In the first example, an acquirer manager used several repertoires to build a multifaceted account of the most important issues in early integration. The extended elaborations in his description are interesting. His elaboration of social control issues is especially so: “getting the right people on the bus”.

*Note: Underlining in the examples has been added by the researcher to highlight important points and turns in the accounts. They do not indicate emphasis by the talker.*

#### Example 1

1. *I think the most important thing is that we are able to run the company as it was before.*
2. *Mainly because if we are buying a company, we believe in it and it has some kind of good results and, and it’s very important that the business is going forward the way it is, and also we’re sure that the contracts which are uh, ongoing, are going as they should.*
3. *A-, and also if there are contracts which, which will, shall, which we will take over as a part of the acquisition, it’s important to go into them and see which the critical things are that... Is the calculation ok, is there resources there or do they have special HR or HSE issues. So, so it’s important to dive into it and go deeply into it that you will get the*
mechanism and you know this, all, all the contracts which is following in this acquisition.

I: Yeah.

R: And then, I think, next thing is to, to get the right people on the bus. [laughs] So if, and it's very different. If you buy one company, a total company with all in it, also the staff people and everything, it's much more easy than to take out a part of the company, which... And then we leave a little bit of the history of these people behind. So, that's a much bigger struggle and challenge than if we take one company, start it... [unclear] it as it is. So, the change management of the culture and, an also the business (--) the business, change, it is very important to follow up from, from our group in the start-up phase, because the information, it's a lot of information that should be set out there and communicated in the right way. And in addition there is, we need, and especially in Finland we need to treat this language issue, in a-, in addition. In Sweden, Denmark and Iceland and Norway and other places it's easier because of the language.

I: Yeah.

R: So we need the right men on the bus, internally, also here in Finland. So I think that's, that's the biggest challenge.

He starts with the control repertoire (line 1), describing that it is important that "we are able to run the company as it was before". Although the manager does not say who "we" are, it can be assumed that "we" also involves the acquirer (see line 2, "we are buying a company"). So far, the manager has constructed representations with the control repertoire, describing how the acquirer has control over the situation, while admitting that the target has been granted some autonomy. Without being asked, he explains that the acquirer believes in the target company's profitability; otherwise they would not have acquired it (lines 2 and 3). Here he addresses rationality. He states that normal operations need to go forward as they did before, continuing without a break, and explains a control situation in which any existing contracts need to be reviewed. The manager must know that target company operations are based on project contracts, which are now ultimately the acquirer's responsibility. This implies that the contracts have not yet been "gone into" and critical issues have not yet been reviewed. The contracts still have to be brought under control. In lines 8 and 9, he explains why going through the contracts is important, referring to the contents of the project contracts and gaining an understanding of what follows from the contracts. This is not yet known, as inferred in lines 7 to 9.

From line 11 onwards, the manager describes a social control aspect, the importance of committing good target managers into the new organisation ("getting the right people on the bus"). This is the turning point in the account. He starts to describe the challenges. It is not altogether clear why the manager laughed after this statement; he may have liked his own metaphor. Both metaphors and humour increase the effectiveness of the accounts. He may also be uncomfortable about telling a Finnish interviewer that not all the Finnish target managers are 'the right people' and some might have to leave the company. This is a probable explanation, as he goes on describing the difficulty of acquiring a business unit instead of a legal entity (lines 12 onward), highlighting the increased need for acquirer attention in such a situation. Then the acquirer manager constructs contrasting versions with the survival (line 15) and cultural repertoires (line 20). He describes several challenging issues in early integration. By explaining in some detail the challenges of acquiring a business unit instead
of a company, the acquirer manager highlights the main challenge, which he actually verifies at the end (line 23). In addition, the language issue is cited as a reason for the problems encountered in establishing control. Cultural features cannot be controlled or managed easily or quickly. This challenge has to be accepted. It just needs to be “treated”. To conclude, and to resolve the challenges presented earlier, the acquirer manager finally states that the right men are needed (line 23), in other words, social control needs to be established in Finland. To conclude his account, he finds a solution to the biggest challenge.

Resorting to several repertoires, the manager portrays himself as capable of solving problems. The account constructs an impression that the interviewee can handle integration issues. To improve the credibility of the account, and to demonstrate that he can evaluate the situation critically, he constructs it with several repertoires: control, cultural and survival. The cultural repertoire appears an acceptable version for the difficulties. The language issue requires little explanation, as both the interviewer and interviewee are aware of the differences between the Nordic languages and Finnish, and the resulting problems in communication. Control, however, is the dominant repertoire. The Norwegian manager most likely assumes that the interviewer prefers a managerial perspective on acquisitions.

In another short example (Example 2), an acquirer manager describes a problem, one of the few in early integration that he describes willingly. The acquirer management faces challenges in adopting and integrating the project-based payroll system already in use in the target organisation. He constructs an account describing the payroll issue:

Example 2

1 Payroll is kind of, if people don’t get paid, [it is] most important. I mean if you start to
2 screw up the payroll, you really have a problem. So, that is, and, we are currently now
3 working on all these. And I think, within the first quarter, I think most of this will be kind
4 of, I would say, under control and then it’s, I would say a normal operation.

He resorts to the survival repertoire in describing the challenges posed by the payroll system (lines 1 and 2), emphasising its importance. Like challenges in general, the problem (“if people do not get paid”) is expressed in the passive form, even though the company is in fact facing challenges in paying employees correctly and on time. To save face, he then turns to the control repertoire, emphasising that the acquirer management is “currently” trying to solve (lines 2 and 3) the problem and expressing confidence that the challenge will be dealt with in the specified period of time (line 3).

This account could be described as typical for a manager, portraying a problem and finally a solution. The account portrays the (near) future as promising and the challenges as resolvable. When considering the variation or interplay between the repertoires, the most interesting points in the accounts are where the interviewee deviates from his role as competent manager. When he seems to be losing control, the interviewee starts to convince the interviewer. After representing a challenge (the survival repertoire), the interviewee resorts to four different ways of convincing the interviewer that the problem will be solved (“currently working on these” – “within the first quarter” – “will be under control” – “normal operations”). The credibility of the suggested solutions with respect to timing and ultimate
outcome ("normal operation") are impaired by constant utterances such as "I would say" and "I think", implying some hesitance. However, by assigning a time frame within which the issue will be solved, the manager constructs a convincing position.

In the third example, an acquirer manager describes early integration resources:

Example 3

1. It's always too little resources. [laughs] Because it's not possible to have enough,
2. so there has to be, you have to prioritise hard, what is the most critical thing and
3. what can wait. So, that's a very important issue to prioritise correct in, in such a short
4. timeline. So it has, the, the business critical thing has to go first, of course, and then we
5. have to catch up with, with painting the cars and changing names and everything,
6. afterwards but... To get the invoice out, to pay people and to pay to the suppliers of
7. course, that's the most important, which has to be prioritized. Otherwise they, it's too,
8. takes too long to come up.

The interviewee starts the account by referring to integration generally ("it's always..."), thereby legitimising his account and portraying himself as an acquisition expert. 'Always having too little resources' is portrayed as common knowledge because the manager laughs after his suggestion (line 1). Laughter also makes the statement more convincing. Here the manager uses the survival repertoire to refer to the scarce resources. He makes such scarcity seem normal in acquisitions by emphasising that there are never enough resources ("it's always too little resources"). He quickly turns the situation into a manageable one by offering a managerial solution, 'prioritising hard' (line 2). Drawing from the control repertoire, the manager continues solving the problem by suggesting that it is the manager's responsibility to decide what is most critical and what can wait. He normalises delays in taking action in some issues by giving several examples of what should be prioritised and what should not (lines 4 to 6). Correct prioritising represents rational managerial activity.

Here again, a challenging early integration situation was constructed with the survival repertoire and then resolved with the control repertoire. By admitting that resources are inadequate (the survival repertoire), he begins a series of reassurances (versions using the control repertoire). Although the interviewee uses the personal passive voice in resolving the issue, which could also be understood as use of the professional repertoire, there is strong evidence of the control repertoire. The impersonal control repertoire essentially refers to the norms and theory of controlling instead of emphasising personal competence as in the professional repertoire.

In the next example, an acquirer manager describes another challenge, the lack of information:

Example 4

1. It's never enough information, never enough change management out there.
2. It should be more, but it's not possible to catch everything in so short time, we
3. have to catch up now during this year...
4  I: Yeah.

5   with the rest. So, but it's coming, it's coming. Again, they, they have to concentrate on
6   the business as it was, because that's, that's the way we are, would like to run it also
7   in the future. The basic business based on the contract and with the, customers and
8   also there is some issues, not issues but there's, there is some challenges to get up and
9   running on the supplier side, because we have to transfer agreements and things like
10  that, and we have to negotiate new contract with the suppliers. And that's a process
11  which takes some time.

The interviewee starts the account by describing how a lack of information and change
management are generally characteristic of early integration, thereby normalising such
challenges. By normalising the challenges, he avoids the blame. These comments were an
unsolicited explanation for the lack of resources currently faced in early integration. This
becomes evident as the manager first describes early integration generally (lines 1 and 2) and
then suddenly gets down to specifics (line 3): “we have to catch up now during this year”. He
expresses confidence that the problems will be solved (line 5) and repeatedly says “it's
coming” to make it effective. He then turns to the autonomy repertoire and explains how
important it is to concentrate on the business as it was before the acquisition. He describes
the challenges again (lines 8 to 10) and finally wraps up the account by explaining that the
process takes time.

As in the other examples, a version of a challenge or a problem, constructed with the survival
repertoire, appears to launch a series of argumentations in Example 4. This argumentation is
generally constructed by managers with the control repertoire (e.g. “prioritise hard”, “go
deply into mechanisms”) to position themselves as capable and experienced problem-
solvers. Deviating from the control repertoire in the accounts of the acquirer managers is
interpreted inappropriate in this social interaction. The survival repertoire is interpreted as
a challenge to the competence of the acquirer managers and a threat to further progress in
early integration. Resorting to construction of versions with the control repertoire is
portrayed as a defensive action aimed at potential criticism by the interviewer. The
interviewees, who are Norwegian acquirer managers (and members of the integration team)
are interpreted in the interview context to attempt to convince the interviewer of how well
they are managing the issues arising in early integration. Considering the interviewer's
background, it is understandable that the managers attempt to construct the impression of
well-managed integration.

In sum, whereas the culturally acceptable control repertoire was found to predominate in the
context of the interviews with the acquirer managers, the interviewees also resorted to the
time dimension (e.g. “within the first quarter”, “it's coming”, and “takes some time”) to
attenuate challenges. To be more convincing, they suggested a time frame in the future for
resolving the issues. Finally, the managers also normalised the challenges of early integration
with descriptions of a typical and inevitable lack of resources, such as information or
communication. In the following, I will explicate how the acquirer managers further
externalise challenges through use of the cultural repertoire, a typical rationale for many
integration-related challenges.
5.2 The cultural repertoire in the accounts of acquirer managers

Next, I will exemplify how the cultural repertoire was used in the accounts of the acquirer managers. Here an acquirer manager constructs an account of the Finnish target managers:

Example 5

1. Of course there are some people here who are very crucial, like [name],
2. and of course it’s important that he feels that he wants to do this. ... I mean. He’s
3. Finnish so it’s not easy for me to kind of. It’s been kind of - you know, they are not sort..
4. of especially when they are from the north they are a little bit (--) don’t always know
5. what they are really thinking.

An acquirer manager starts his account by relating the necessit ies of early integration. He introduces a social control aspect of identifying and committing the important target managers to the new organisation (lines 1 and 2). He then states that the manager is a Finn, and therefore communication with him is not easy. He does not refer to language issues, but rather to cultural differences in communication. Using the cultural repertoire, he explains (lines 2 and 3) why making sure that the target manager is ‘on the acquirer bus’ and ‘a company man’ (to borrow metaphors from the acquirer managers) is not a straight-forward task, but a challenging one. This is interpreted to signify that the specific target manager has not expressed his commitment clearly enough (lines 3 to 5). The acquirer manager describes resorting to the cultural repertoire, the target manager’s background, coming from the north of Finland, expecting the interviewer to understand his explanation. He describes a straight-faced Finn, whose mind is difficult to read.

In the beginning of the account the acquirer manager says that he knows the importance of target managers in making the acquisition succeed. He has also identified one particularly important target manager. A challenge of communication is constructed using the cultural repertoire, as the interviewee depicts a lack of certainty about the sentiments of the target manager. He positions himself at the beginning of the account as a capable integration manager, while admitting that cultural differences complicate management and control issues.

The cultural repertoire was used frequently by the Norwegian acquirer managers. Culture is also generally a legitimate and much-used explanation for challenges and even failures in acquisition integration. It offers a relatively appropriate and convincing way to explain the difficulties of early integration. In contrast to the survival repertoire, the cultural repertoire can therefore be considered sufficiently ‘strong’ when used by the acquirer managers to construct challenges legitimately as it externalises them. When used by the acquirer managers, the cultural repertoire did not seem to require much explanation in the interview context. Managers seemed to feel that the interviewer was on the same page and was aware of the burden of national cultural differences in cross-cultural settings.
5.3 The autonomy repertoire in the accounts of the acquirer managers

Next, I will discuss the findings concerning interplay between the autonomy and control repertoires. In Example 6, an acquirer manager describes the decision not to execute organisational changes in the target company in early integration:

Example 6

1. Now we made a conscious decision to leave the [target] unit there under [Name, former target MD] supervision. All [Name, target] units are still under his supervision... We have intentionally left the power to them to ensure the continuity... We are dismantling the organisation now in spring, but I have not perceived any confrontation there, just expecting to get rid of the existing structure.

The acquirer manager continues his account of the target's autonomy by casting doubts on the decision to leave the target organisation intact:

Example 7

1. And I also know that we need to do it [dismantle the old organisational structure], because if we don't do it, this [existing culture] would only live on, and that would cause problems then.

The acquirer manager in this account explains the decision to leave the target organisation intact. It is interpreted that this decision, which concerns a situation deviating from the norms of acquisition (a lack of change or a strong takeover), requires an explanation. In order to justify this action, the interviewee starts the account by explaining that it was “a conscious decision” to leave the company under the supervision of the former managing director (line 1). The acquirer manager stresses the decision by stating that it was ‘intentional’ and then resorted to the autonomy repertoire because the decision was made to “ensure continuity” (line 3). He then draws from the control repertoire, explaining that the target organisation will be dismantled in spring (line 4). He finds a need to further explain the situation, explaining that he has not perceived any confrontation but that the decision to build a new organisation is a rational one (lines 4 and 5). Directly after the account (Example 6), in Example 7, he again resorts to the control repertoire by stating the need to dismantle the existing organisational structure.

In this example, the acquirer manager is himself dealing with the dissonance between the autonomy and the control repertoires. As suggested in Chapter 4, these repertoires of early integration can be seen as opposites. Whereas the control repertoire is culturally acceptable, the autonomy repertoire does not appear to be so. The autonomy repertoire hands control over to the target, which is counter to the control norm in early integration. Decisions on the target’s autonomy or the lack of change appear to trigger a need for explanations. It is interpreted that the manager himself felt a need to explain the decision to the interviewer, although no questions were asked or criticism voiced. Explanations of why the organisation should be left intact highlight the uncertain situation in which the acquirer manager found
himself. A strong takeover by the owner is a legitimate action, while leaving the target organisation intact is not.

In Example 7, the interviewee addresses why the existing organisation needs to be dismantled and consequently why autonomy needs to be curtailed. The interviewee continues his account (Example 6) with an addition (Example 7), emphasising that he knows that dismantling the target organisation is the right thing to do. He thus positions himself as a proficient manager.

The control and autonomy repertoires were found to go hand in hand in the managers’ accounts, as they are generally flip-sides of the same coin. The above examples were chosen to demonstrate the tension between the repertoires. The control repertoire is a strong, generic repertoire in the language of the acquirer managers. The autonomy repertoire is a weaker version of reality, and therefore seems to require more explanation. It is also more local building a version of early integration that depends significantly on the low-level of integration specific to this acquisition.

5.4 Finnish acquirer managers rely on the professional repertoire

Whereas the Norwegian acquirer managers frequently drew from the control repertoire in solving the challenges of early integration (Examples 1 to 4 above), the Finnish acquirer managers used language in a different way. In the following account, a Finnish acquirer manager describes the field of business and the ways of doing business:

Example 8

1    R: So usually our unit is typically such that it has, has an office where officials work
2    and then the job is done in the customer’s premises, so we do not actually have
3    other space there in the units but the office.
4    I: Yes, yes.
5    R: and so, it is quite difficult to meet people there at their jobs and...
6    I: Yes.
7    R: ...it may not be appropriate at this point but... But then the shop stewards were
8    in [town name], and we discussed with them, and discussed a lot in... Sauna steam and
9    well. I mean it is of course important part of the employees and some of the most active
10   have invited me to meetings or well... to events in units, I have not been able to
11   participate and it’s a shame... And then it has sort of developed into, it has evolved [into]
12   a role of jack of all trades (“jokapaikanhöylä”), I’m a dog’s body (“yleismies Jantunen”)
13   as we have taken care of issues as they came up. So if anyone has a problem for instance
14   with his phone, so he will call me...
15    I: Yes.
16    R: and then we will discuss with anybody.
I: Yes.

R: ... same goes with email and occupational health care and insurance certificates and office supplies and all this. So it has been I mean cooperation in hands-on issues with the new group and, and it is always of course nice to be able to meet needs and solve problems.

The Finnish acquirer manager starts the account by explaining a typical unit structure (lines 1 to 3), and then explains, without being asked, that he has not visited the units (line 5) because this would be quite difficult. The explanation most likely derives from the company values, in which proximity to employees and visits play an important role. In other words, he has not been able to live up to the values of his employer company during early integration. After realising that he had admitted acting contrary to company values, he found a need to compensate for this shortcoming.

The survival repertoire was again found to trigger a need for subsequent versions that highlighted managerial competence. Consequently, the interviewee goes on to depicting the encounters he has had with target employees (lines 7 to 9) and then explains the importance of the particular employees he has met (shop stewards). From line 9 onwards, he develops representations of his own importance during early integration by drawing from the professional repertoire and elaborating on what he has in fact done for the employees in order to solve problems (lines 11 to 19). At the end, he portrays himself as a professional, upright manager (lines 12 to 21) and describes how he would help anybody in need. The explanations from line 7 onwards are interpreted to mean that he was seeking approval and sympathy from the interviewer.

In this early integration context, the Finnish managers faced the hands-on reality of managing early integration issues and operative level challenges. Whereas the Norwegian acquirer managers (Examples 1 to 4) resorted to the impersonal repertoire of control, finding more theoretical solutions in the manner of best practices for the challenges from their earlier experience in acquisitions, the Finnish acquirer managers made use of the more individual, professional repertoire in constructing hands-on descriptions of how events were resolved in early integration. The Norwegian acquirer managers frequently referred to the organisation as a whole, probably because the acquirer managers identified strongly with the company, which had a long history in performing acquisitions. They are interpreted as speaking on behalf of the acquirer organisation, on the corporate level. On the other hand, the Finnish acquirer managers resorted to more personal means, the professional repertoire, using self as an active actor (“I” and “me”) to refer to their practical responsibility for organising and managing. This can also be attributed to the fact that the Finnish acquirer managers had only recently joined the Finnish organisation.

Next, I will analyse the use of language by the target managers during early integration. Whereas the acquirer managers constructed accounts of solutions, visions and hopeful outlooks, the target managers frequently developed representations of the unresolved challenges of early integration.
5.5 Target managers’ representations of early integration challenges

In the following, I will explicate how the target managers developed representations of early integration challenges. In the first example, a target manager constructs an account describing what could have been done better in early integration:

Example 9

1. If we would have had a stronger start, if the people would have been hired - earlier, and would have had fewer Norwegians, we could have [operated] among our own group in English... of course the language is an issue there as well. Now we conduct all meetings in English and it makes it difficult to discuss, with our staff, when everybody speaks only English. And for example in [towns in North Finland]... just one guy speaks some English... no other guy understood anything and were just looking wide-eyed. [laughs]

The target manager made many suggestions for improving the current situation (lines 1 to 3) by drawing from the survival repertoire and at the same time describing a vision of how challenges would have been overcome. He also takes up the language issue (line 3), using the cultural repertoire in referring to Finnish target employees who do not have a working knowledge of English, and hence lack a common language with the Norwegian acquirer managers. He continues elaborating the language issue and communication difficulties (lines 3 to 6); these are concrete problems to which the interviewer can relate.

The account is rich and uses **several interrelated repertoires** to construct convincing accounts and perhaps even to entertain the interviewer. Such a multitude of repertoires proved typical in the representations of several target managers. The target managers used the cultural, autonomy, expectation and survival repertoires to construct representations of challenges. The aim was to emphasise the messiness of early integration and to bring up various concerns and reasons for dissatisfaction. Drawing from these repertoires, the target managers constructed juxtaposing positions for the acquirer and target managers. Acquirer actions were portrayed as ‘bad’ and their own actions as ‘good’. Such accounts were also considered examples of the target managers’ sensemaking of the novel situation in which they found themselves. With the help of different repertoires, the target managers increased the effectiveness of the representations. Also, other rhetorical tactics such as laughter, a sense of the dramatic, elaborate descriptions, humour and exaggerations were all found more frequently in interviews with the target managers.

The following is another example of such language use; a target manager constructed an account in which the acquirer management found out that the target organisation did not have the necessary software for project bidding:

Example 10

1. I doubt that it was a bit of a surprise to [Name, acquirer company], having talked to [Name, acquirer manager], that all of a sudden they realized that oh [...], they don’t have a sales management software [system], so how are we going to do bids... In their sales pitch they said they are coming and buying you and everything is OK... and it's going to
Using the survival repertoire (line 1 to 3), the manager portrays the issue as a surprise to the acquirer managers. He continues resorting to the expectation repertoire, describing how in their sales pitch the acquirer managers had spoken confidently about having everything under control but that the outcome was “not like that” (lines 3 to 5). The expectation repertoire enables interviewees to construct themselves as victims. The manager points out that although promises were made, the target was eventually let down. The interviewee, however, does not seek pity and goes on to explain that he has not been overly affected by such behaviour; he says that it has been “OK fun” and then laughs (line 5). Laughing can be interpreted as a way of emphasising one’s own judgement and at the same time showing that the behaviour of the acquirer managers as less acceptable. It works here as an attempt to distance himself from irrationalities.

In the next example, a target manager constructs an account of acquirer managerial behaviour. In this example the conflict with the acquirer is in the open:

Example 11

1. They take for granted that as the owner does (decides) this, the staff will then execute it. ... [Name] just sent an email to me on Saturday that no discussion is needed, just tell them. I told him you can’t do that. ... for them [acquirer managers] it’s just an email sent out. His attitude is no negotiations, the employer decides. But you make huge problems out of small things. You make people dissatisfied.

The target manager starts the account by suggesting that the acquirer management expects obedience from target staff (lines 1 to 2) by issuing an order in an email message (line 2). The interviewee then depicts how he openly resisted the acquirer manager (line 3). Using the survival repertoire (lines 4 and 5), he describes how the acquirer manager made a bad decision. In line 5 the target manager explains (“you make people dissatisfied”) his disobedience and also why the acquirer’s behaviour is mistaken and attempts to prove his point. The manager is interpreted to argue that in this case disobedience would be in the best interest of the company.

It is interesting that the target managers seldom described successful actions taken by the acquirer in the early integration interview text. They also resorted less to normalisation of resources, such as referring to future or specific measures of time to portray hope that the challenges would eventually be overcome. This is interpreted to reflect adversary positions and a combative mentality during organisational change.

Constructing accounts as above with versions of messy and disorganised events, the target managers portrayed early integration as survival of the fittest. I also interpret such accounts to reflect the perspective of the target managers, according to which the party with the authority is responsible for integration and ultimately all that involves the acquired unit. Drawing on the survival and expectation repertoires, the target managers constructed representations of early integration in which they were bystanders. Such accounts are
interpreted to shift the responsibility for integration and ongoing disorganisation to the acquirer.

In the above accounts, which were chosen as examples of the use of parallel repertoires (autonomy, expectation, survival and also cultural), the target managers emphasised the disorganised nature of early integration. The target managers also constructed versions highlighting their own competence. In those accounts, the target managers rejected the roles of bystander or victim. This process of account construction is presented next.

5.6 Target managers rely on the professional repertoire

As explained above, the interviews began by inquiring about the managers’ own experiences of early integration. In the above accounts related by the target managers, early integration was described as messy. The following two accounts represent another type of account used frequently by the target managers. These accounts drew not only from the authority, expectation, survival and cultural repertoires to portray the challenges of early integration but added the professional repertoire to the mix.

The following example of a target manager account exemplifies recurrent use of the expectation, survival and professional repertoires. In Example 12, a target manager describes how the acquirer management built and managed expectations:

Example 12

1 R: I do not remember any plans or such other than that they told us, I cannot remember all who were there, but [Name, Norwegian manager], who is a big boss and [Name, Norwegian manager], who is responsible for Finland, and then there were a couple of others so... so how they told us how this integration is going to take place and there blablablaa (“plålplålplää”) it's going to be great and that they have acquired so many companies and they know about change, nothing came true, nothing! All we had to do, so, we had to do by ourselves, well then I had to. I said well, if it's not going to happen, if they cannot find a lawyer then I will find the lawyer, if the company cannot, cannot take care of it so that we get these contracts done.

10 I: Hmm.

11 R: Then taking a hard stance you made progress on issues, but that you have to yourself then anyway...

He starts the account by describing the occasion where the acquisition deal was announced (lines 1 to 5). He describes the acquirer managers projecting a well-planned integration (lines 4 to 6). This version is constructed as an example of acquirer promises, and it is interpreted to draw from the expectation repertoire. “Blablablaa” in the middle of the representation gives out the impression of sarcasm. In the middle of line 6 the interviewee draws again from the expectation repertoire stressing that in fact integration has been a disappointment. By saying that “nothing came true, nothing,” he wants to make a strong point. Repetition increases the effectiveness of the version. Immediately after explaining his disappointment,
he turns to another repertoire. Resorting to the survival repertoire, he portrays the acquirer managers as passive (line 7); the target managers have full responsibility for implementing the integration. Soon after, in line 8, the account takes another turn. The interviewee emphasises his own initiative in resolving the issue. Drawing from the professional repertoire, the interviewee positions himself as an active party in efforts to solve the problem of contract renewal. Furthermore, he highlights his competence again (lines 11 and 12) by repeating that the target managers need to be active and take responsibility in early integration.

In this account the interviewee constructs a variety of versions of early integration in short sequence. He confronts acquirer control to construct representations using both the expectation and the survival repertoires. Whereas in these versions the interviewee uses the expectation and survival repertoires to construct for himself the position of victim in a disorganised integration process, he draws on the professional repertoire to eventually position himself as competent of dealing with such challenges.

In the final excerpt, Example 13, the interviewee emphasises the legal obligation and responsibility of the new owner in handling integration issues:

Example 13

1  R: If we would not have been active, it would have backfired. The acquirer did not do anything, so it was only us left.
2  I: How did you get this responsibility for taking care of issues?
3  R: Well, we did not have any other choice. No other choice.
4  I: But that they gave you the responsibility, it was quite substantial…?
5  R: They did not give it, but we had to do it… the responsibility was not transferred, it just shifted… Then we started saying, do locally, do locally… We came up with this slogan
6  “Anything, yeah, we do it locally, we do it locally.”

Here the manager describes how integration issues require initiative on the part of the target managers. He starts his account by drawing from the professional (line 1 and 2) and survival repertoires (line 1: “acquirer did not do anything”) to construct a version in which the target managers were proactive in solving an issue (the professional repertoire) neglected by the acquirer (the survival repertoire). After the interviewer's question about responsibility, the manager resorts to the survival repertoire (line 4) and positions the target as a victim of circumstances who had “no other choice”. After another question by the interviewer about responsibility, the interviewee turns to the autonomy repertoire and reveals the target employees’ motto, “do it locally”. The interviewee repeats the motto and explains its history and use by the target managers during early integration. In line 8, the interviewee makes use of the motto, emphasising the initiative taken by the target. The motto “do it locally” was borrowed from the autonomy repertoire and with a small change, ”yeah, we do it locally”, it is used in the professional repertoire.
Concerning the interplay of repertoires, shifts from the survival and autonomy to the professional repertoire in the example are swift and effective. I interpret these back-and-forth shifts as an attempt to underscore the differences between the versions and consequently to highlight own and target professionalism. Finalising the account by using the professional repertoire depicts the target managers as responsible and flexible professionals, who are able to solve problems and manage situations.

In sum, this chapter I have discussed findings from the analysis of the accounts related by the managers in the interviews. I found that Norwegian acquirer managers generally rely on the control repertoire, whereas Finnish acquirer managers and target managers make use of the professional repertoire. I also found that target managers tended to describe challenges by putting together accounts using several interrelated repertoires (e.g. cultural, autonomy, expectation and survival repertoires). I will now turn to discussing these findings and their contributions to the M&A integration research field.
6. Discussion and conclusions

The purpose of this chapter is to discuss the findings of the study presented in the two preceding chapters and the contributions of the thesis. The overall aim was to examine the early phase of post-acquisition integration, with a particular focus on control. The main research question was formulated as follows: *How do acquirer and target managers socially construct early integration and control during this phase?* The main question was further divided into two sub-questions. Chapter 4 addresses the first sub-question: *What interpretive repertoires can be identified from managers' talk about the early integration and do they change in later integration?* Chapter 5 focuses on the second sub-question: *How do managers use the interpretive repertoires when describing early integration?*

Figure 10 illustrates the main findings. First, the six interpretive repertoires identified in the study provided the research participants with ample opportunities for different constructions and interpretations of early integration (see Figure 10, for 6.1.1). Second, this study shows how the acquirer and target managers employed the repertoires to construct an impression of control in response to dealing with the uncertainty associated with early integration (6.1.2). Third, target managers employed the professional repertoire as a coping framework in social interaction (6.1.3). Fourth, while earlier studies assign the responsibility for controlling to the acquirer managers, this study presents control as a shared effort between acquirer and target managers (6.1.4).

![Diagram](image)

**Figure 10.** Main findings of the study
6.1 Theoretical contributions

The theoretical contributions of this thesis are as follows. Its first contribution comes from the identification of six repertoires and the concurrent in-control and out-of-control realities of early integration in the talk of the acquirer and target managers. While much of the existing research has attempted to understand integration as a linear process controlled by the acquirer, this research presents a more nuanced insight into the multiple different early integration realities of the acquirer and target managers. Second, this thesis argues that by employing the different ‘in-control’ and ‘out-of-control’ repertoires in the course of the interview, the acquirer and target managers constructed an impression of control. This makes an important contribution to the study of M&A integration control by presenting early integration control as a fluid phenomenon instead of a calculated and rational act. Third, by introducing the professional repertoire as the target managers’ coping framework, which enabled the construction of an impression of control, this thesis advances the human side of M&A research by furthering understanding of how target managers act and react during early integration. Fourth, this thesis makes a valuable contribution to the field of M&A integration control by arguing that control in managers’ talk was socially constructed as a shared effort between the acquirer and target managers. It provides an alternative to the traditional approach to control which views it exclusively as an acquirer’s concern. These contributions are discussed in the following.

6.1.1 Co-existence of in-control and out-of-control repertoires

This thesis has presented six interpretive repertoires, namely control, autonomy, cultural, expectation, survival and professional which enabled the construction of early integration events and actions from several different perspectives. I argue that based on their different functions and tensions between them, the repertoires form two sets: ‘in-control’ and ‘out-of-control’ repertoires. By revealing the variety of the acquirer and target managers’ shared concurrent realities, this thesis provides an alternative viewpoint to the study of M&A integration within which the acquirer perspective dominates. Whereas this mainstream of M&A integration studies assumes the manageability of the integration process, even employee reactions, this thesis questions it. While integration from the acquirer perspective can be planned as a linear process, this thesis argues that the socially constructed realities of early integration portrayed a more nuanced and in fact, a rather messy phase. This increases our understanding of the issues and challenges which the acquirer and target managers go through during the early stages of integration and adds to our understanding of socially constructed realities in post-acquisition integration (e.g. Schneider & Dunbar, 1992; Gertsen & Søderberg, 2000; Vaara, 2002; Rovio-Johansson, 2007).

The repertoires were based on my interpretation of the text generated in social interaction with the acquirer and target managers during early integration of a cross-border acquisition. Drawing from these repertoires, the managers constructed different versions of the early integration actions and events in the interviews in which I acted as an interviewer. Consequently, I was considered a ‘co-producer’ of knowledge. The interviews took part

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1 The term ‘in control’ was selected instead of ‘under control’ for stylistic reasons. It is acknowledged that generally people are ‘in control’ and situations are ‘under control’, but I use the former throughout the thesis.

2 In a similar vein, the term ‘out of control’ was selected for stylistic reasons. It is acknowledged that this term may have undesirable connotations, but here it refers to a sense of ‘not being in control’ or things ‘not being under control’.
during the rather messy period of early integration and the setting for them seemed to encourage both acquirer and target managers to make sense of the ongoing change process and also to provide them with an opportunity to ‘blow off steam’ in private. I therefore suggest that not only involving both sides of the acquisition, but also the timing of interviews in early integration allowed me to identify the rich, interrelated set of significantly different repertoires illustrated in Figure 11.

![Figure 11. Interrelatedness of early integration repertoires](image)

The repertoires identified are local, that is they were embedded in the local context of a single instance of integration and specific interviews, and were the product of my reading of the generated data. However, I suggest that the control and cultural repertoires (see repertoires in Figure 11 with black outline) are based on generic discourses. These repertoires are based on traditional language and representations of M&A situations and built on established lines of academic and managerial literature and understanding. Vaara (2002) identified rational and cultural discourses from the managers’ narratives of success and failure in post-merger integration. The control repertoire is suggested to reflect the traditional managerial perspective, which is based on rational discourse. This perspective also presupposes the establishment of control in integration (e.g. Calori et al., 1994; Pablo, 1994; Lubatkin et al., 1998; Puranam et al., 2006). In the light of the extant literature on cultural explanations for many acquisition issues (e.g. Nahavandi & Malekzadeh, 1988; Olie, 1990, 1994; Chatterjee et al., 1992; Cartwright & Cooper, 1993b; Morosini, 1998; Larsson & Lubatkin, 2001; Schweiger & Goulet, 2005; Marks & Mirvis, 2010; Marks & Mirvis, 2011a; Weber & Tarba, 2012; Vaara et al., 2014), identification of the cultural repertoire was anticipated in a cross-cultural setting such as this study.

Whereas the control and cultural repertoires can be considered official repertoires, it is the four other, less-official repertoires: the autonomy, expectation, survival and professional repertoires (in Figure 11 with white outline) which have the potential to further our
understanding of M&A integration. By bringing up the less-official realities of early integration, this study complements the acquirer perspective in M&A discussion (the rational discourse apparent in the control repertoire) and the legitimate explanations for challenges (the cultural discourse apparent in the cultural repertoire). This study thus adds to research that acknowledges the ambiguities and multiple realities of post-acquisition integration (e.g. Schweiger et al. 1987; Risberg, 2003a, Vaara, 2003; Steuer & Wood, 2008; Teerikangas, 2006; Teerikangas & Tienari, 2012).

Although representing local findings, these repertoires also resonate with earlier literature on M&A integration which acknowledges their value as findings. Management of expectations has been acknowledged as a success factor in earlier research (e.g. McGraw-Hill, 1988). The expectation repertoire addresses the potential tendency of the acquirer to resort to ambiguity in acquisition negotiations (Jemison & Sitkin, 1986; Haspeslagh & Jemison, 1991) or even exaggerate (Levinson, 1970; Vaara & Monin, 2010) acquisition-related potentials during the negotiating phase. Furthermore, the survival repertoire is built on the understanding of integration as a demanding process, also acknowledged in M&A literature (e.g. Buono & Bowditch, 1989; Haspeslagh & Jemison, 1991; Teerikangas, 2006).

The autonomy repertoire is one of the most case-specific repertoires based on the low-level of integration in this acquisition. It is based on the ideal of a strong takeover by the acquirer during the earliest days of integration. Furthermore, Vaara’s (2002) individualistic discourse resembles the professional repertoire identified in this study, which highlights the role of individuality and personal characteristics in making post-merger integration a success or failure. Vaara (2002) found that the individualistic discourse provided a means to give or take credit for positive outcomes. However, the professional repertoire addressed not only personal, individual characteristics, but also a shared, organisational heritage in coping with early integration ambiguity.

Each repertoire has its own particular function. Nevertheless, the repertoires do not construct reality in isolation, but instead build upon each other and make sense in relation to each other. This is often referred as interdiscursivity. Although interpretive repertoires provide opportunities for construction of various representations, some of them overlap somewhat, thus enabling construction of parallel versions of reality (see Figure 11). On the other hand, other repertoires are used to construct clearly contrasting versions of early integration. The polarity of the repertoires (illustrated in Figure 11 with two shades of grey) seems to reflect both the messiness of early integration and sensemaking by the managers during change.

The polarity is clear when comparing for instance the control and autonomy repertoires. The control repertoire, portrays early integration as a time for establishing acquirer control in the target organisation. It is based on the managers’ rational understanding of the transfer of ownership of the target unit to the acquirer, and assumes that control is a fundamental function and a responsibility of the new owner. Whereas the control repertoire represents management’s ideal of strong integration, the autonomy repertoire constructs early integration as a phase for granting autonomy and consequently for handing control over to the target. It stands in clear contrast to the control repertoire, which assumes a strong and responsible integrator (see Figure 11, which shows the contrasting positions of the repertoires).
The cultural and expectation repertoires enabled the managers to construct variable versions of disappointment. So did the survival repertoire. It also stands in contrast to the control repertoire’s ideal of organised management (see Figure 11) and constructs early integration as a disorganised phase. The survival repertoire also stands in contrast to the professional repertoire (see Figure 11), which allowed construction of versions that dealt with challenges by means of personal and organisational professionalism. The professional repertoire shared some elements with the control repertoire, as they both enabled construction of a manager who was ‘in control’ of early integration.

Based on these functions and tensions, the repertoires form two contrasting sets: ‘in-control’ and ‘out-of-control’ repertoires (see Figure 12). Further, I found that the control and professional repertoires dominated interviews with the managers. These repertoires allowed managers to construct early integration events and actions to mean that they were in control; managers portrayed themselves as rational, competent and responsible. In the interview context, these repertoires were interpreted to be more appropriate and also more culturally acceptable than others.

Figure 12. Dominant and alternative repertoires of early integration

Consequently, the control and professional repertoires – taken together – appear in this study to form a dominant, ‘in-control’ discourse (see Figure 12 for repertoires in light grey). The rest of the repertoires form an alternative, ‘out-of-control’ discourse (illustrated in Figure 12 with darker grey). The out-of-control repertoires were found to enable construction of messy and disorganised realities. Their presence in this study provides support for the notion that M&A processes have a life of their own (Jemison & Sitkin, 1986; Buono & Bowditch, 1989). This view challenges the mainstream view of M&A processes, according to which they are planned and calculated acts and in which neatness and linearity are assumed.
The in-control repertoires allowed managers to construct early integration as manageable. Whereas the control repertoire emphasised the responsibility and role of acquirer organisation as a controlling entity in early integration, the professional repertoire highlighted the role of individual managers and target’s organisational legacy in dealing with the challenges of early integration. More than a duty or a legitimate task (the control repertoire), the professional repertoire emphasised the personal virtue and accountability in keeping events and business under control. The interplay between repertoires revealed that the dominant repertoires were easy to use, and are thus considered culturally (locally in this case) strong, that is acceptable. This dominant discourse is considered to be based on the conventional rationality of (integration) management.

The autonomy, expectation, survival and cultural repertoires form an alternative out-of-control discourse (see Figure 12). In contrast to the in-control discourse, managers used these repertoires to construct versions of early integration events and actions as beyond the managers’ control. Using the out-of-control repertoires the managers constructed a more or less vulnerable position. Earlier research has assigned this role in integration to the employee (Napier, 1989; Cartwright & Cooper, 1990). However, in this study of early integration, both the acquirer and target managers resorted for instance to the survival repertoire. Moreover, Vaara (2002) found that central to the cultural discourse was the framing of post-acquisition decision-making as a confrontation between different cultures, nationalities and sub-cultures. Such an analogy is also applicable to the cultural repertoire in my study, and is the basis for its inclusion in the out-of-control discourse. With respect to the integration repertoires (in follow-up interviews), the resistance, learning and professional repertoires allowed managers to construct in-control realities. The cultural and survival repertoires were the out-of-control resources.

The culturally 'weaker' and less acceptable status of the out-of-control repertoires became evident in Section 5.3 (see Examples 6 and 7). This dominant-alternative relationship (see Figure 12) became apparent when findings concerning interplay between the autonomy and control repertoires were discussed with the help of interview material. An acquirer manager explained the low extent of the target’s integration during the early phase of the process. Interplay between the control and autonomy repertoires pointed up the tension-laden relationship between the repertoires and cultural disapproval of the weak takeover. The autonomy repertoire seemed to contradict the moral obligation for acquirer control in the management culture as it handed over control to the target. It was found that when the autonomy repertoire was used, it was followed by various unsolicited explanations on the part of the acquirer managers. By engaging in such self-contextualization (see Suoninen, 1993), the managers tended to defend themselves against potential criticism. Such criticism derived from culturally strong viewpoints that could contradict what was previously said. Hence the need to explain is apparently based here on control-driven managerial culture in general, and the local context (i.e. low integration level) of this acquisition in particular.

This study concentrated specifically on early integration interview talk. However, follow-up interviews were included in the analysis in order to identify potential changes in repertoire compilation as the process advanced from early integration towards later integration. Findings concerning changes in the repertoires reveal the temporality of some repertoires identified in early integration (see Figure 13). In other words, social constructions of early integration and later integration reveal variability rather than consistency in the mix of
repertoires. This finding, concerning the fluidity of repertoires, suggests that integration as a socially constructed phenomenon is not stable.

The autonomy and expectation repertoires appear to be temporal; they were identified in the early integration interview text, but occurred much less frequently in the follow-up interview text. Also, the control repertoire, a strong repertoire among the acquirer managers, faded out in the follow-up interview text, where all text was generated by Finns. Of the early integration repertoires, the professional, cultural and survival repertoires prevail (see Figure 13). Two new repertoires, resistance and learning, were identified in the follow-up interview text (see the right hand side of Figure 13). Their presence would seem to be dependent on the context of social interaction. The managers apparently validated earlier representations with the resistance repertoire and normalised them with the learning repertoire. These findings, concerning on one hand the fading of the control repertoire and on the other hand the re-identification of the professional repertoire, highlight the role of the control repertoire as a corporate managers’ resource and the professional repertoire as an operative level and target managers’ resource. The use of these in-control repertoires on the account level is discussed next.

![Figure 13. Changes in the mix of repertoires](image)

### 6.1.2 Managers’ construction of an impression of control

The analysis of managers’ use of repertoires in the course of interview, more specifically on the account-level, revealed that both the acquirer and target managers tend to construct their accounts as an interaction between consecutive in-control and out-of-control repertoires. I argue that consequently, the interplay of the repertoires in managers’ accounts constructs an impression of control. The finding questions the mainstream view of (integration) control as a calculated act and a rational process (e.g. Calori et al., 1994; Lubatkin et al., 1998; Child et al., 2001; Al-Husan & James, 2003; Gates & Very, 2003; Bijlsma-Frankema, 2004; Malhotra & Gaur, 2014). Instead, it presents control as a socially constructed phenomenon and argues that early integration control can be seen as a fluid phenomenon, with glimpses of both in-control and out-of-control realities. However, the finding that managers ultimately employed
in-control repertoires to construct an impression of control highlights the dominance of the rational control discourse in organisations, and reconstructs especially acquirer managers’ identities as controllers.

People are generally considered to construct their accounts in contextually appropriate and culturally acceptable ways. Similarly, the managers in the interviews engaged in a professional role that portrays them as competent and rational. In analysing the interplay between repertoires, I found that by using a variety of repertoires, managers struck a balance between realities that were under control and out of control. However, I discovered regularity in the way managers compiled their accounts. On the basis of the analysis of the contents of the accounts, I found that the control and professional repertoires (in-control repertoires) were regularly used to maintain a credible stance in the social interaction (use of professional repertoire specifically is discussed further in sections 6.1.3 and 6.1.4). As a function of using these repertoires, managers constructed an impression of control in early integration. The accounts by managers in Chapter 5 illustrated the order in which the repertoires were used.

The findings indicate that the Norwegian managers sought to demonstrate that they were doing a good job in integrating the target unit and in handling the tasks that are traditionally the acquirer’s responsibility. Consequently, I found that the control repertoire predominated in the interviews with the Norwegian acquirer managers. This repertoire was also found to be a starting point for many of the acquirer managers’ descriptions of early integration.

Figure 14 presents a typical corporate-level manager account (see Example 1 in Section 5.1). In this example, the interviewee constructed events mainly drawing from the control repertoire (see Figure 14 for white boxes). These constructions improve the impression of control (illustrated with white arrows). The survival and cultural repertoires were used to describe points in the text in which the manager was not in control, consequently challenging the impression of control (see Figure 14 for grey shaded boxes, with arrows pointing to ‘out of control’). However, the accounts were typically concluded with the control repertoire to construct an impression of control.

The control repertoire enabled representations of appropriate, expected managerial behaviour in integration and was consequently the main resource for constructions of control by corporate-level acquirer managers. It rests on the traditional acquirer perspective - the acquirer is responsible for integration - and places early integration into a framework of rationality and rational decision-making (see Vaara, 2002).
The cultural and survival repertoires were used by Norwegian acquirer managers to construct challenges. These repertoires enable construction of inevitable but also legitimate challenges. The cultural repertoire was used with particular frequency providing a legitimate explanation for challenges (see Example 5 in Section 5.2). It appeared to be an acceptable resource for constructing integration challenges, as it did not seem to require much explanation in interview situations. By constructing versions of situations drawing from the cultural repertoire, interviewees constructed challenges that were beyond their control. Cultural differences also provided a well-established explanation for challenges and even failures in acquisition integration (e.g. Shrivastava, 1986; Nahavandi & Malekzadeh, 1988; Olie, 1990; Datta, 1991; Pablo, 1994; Gertsen & Søderberg, 1999; Very et al., 1997; Marks & Mirvis, 2010).

6.1.3 Professional repertoire as a coping framework

In addition to Norwegian acquirer managers, also the Finnish acquirer and target managers were found to construct an impression of control in social interaction. While the control repertoire appeared to be a corporate-level resource, the professional repertoire enabled the target managers and the Finnish acquirer managers to construct versions of reactive operative control, in other words to deal with issues as they arose. This finding is especially interesting with respect to the target managers. This study argues that the professional repertoire acts as a coping framework for target managers in social interaction enabling the construction of a credible stance of a manager ‘in control’ of the situation. The studies focusing on the human side of acquisitions (e.g. Schweiger & Ivancevich, 1985; Cartwright & Cooper, 1990; Marks & Mirvis, 1997; Sinkovic et al., 2011) have attempted to understand employee reactions to change. This thesis advances this line of research by furthering understanding of how target managers act and react during uncertain early integration. This finding reveals that control is not only an acquirer concern but important to target managers, dealing with early integration messiness, as well.
Whereas the findings suggest that the Norwegian acquirer managers, who were responsible for the strategic-level issues, constructed an impression of control using the control repertoire as their main resource, the professional repertoire proved dominant in the accounts of the Finnish acquirer managers and target managers. The function of such accounts was to construct an impression of control, too. Figure 15 illustrates a typical account, here of a target manager, with interplay between the in-control and out-of-control repertoires (for a discussion of the account, see Section 5.6, Example 13). To describe and make sense of early integration, the manager recurrently used the survival, autonomy and professional repertoires, with an emphasis on the versions constructed by drawing from the professional repertoire.

**Figure 15. An example of a target manager’s account**

Whereas the control repertoire emphasised planning and best practise in integration control, the professional repertoire addressed reactive behaviour in keeping it under control. The target managers drew from the professional repertoire to construct versions of early integration events, emphasising their own role and indispensability. By using the professional repertoire, the target managers could construct a position of a competent manager in control of early integration in social interaction. Although not the controlling party, the target managers constructed themselves as bearing responsibility for keeping early integration under control. Dealing with early integration issues was portrayed as a result of the managers’ own character, initiative, and expertise in their own field.

Generally, employees are found to express pride in their previous organisation (Schweiger et al., 1987). As can be expected in early integration, the target managers studied did not yet seem to identify themselves as members of the newly formed organisation, but rather emphasised their own attitude and individual expertise inherited from the former target organisation. Addressing the acquirer perspective, some scholars (e.g. Buono et al. 1985; Giessner et al. 2012) have found that identification with the pre-acquisition organisation hindered the integration process. This study, however, presents the professional repertoire
as an important target manager resource. In a social interaction it seems to act as a coping framework, which enables construction of the position of a manager 'in control' of the situation. Hence this finding also supports the need to increase our understanding of the contribution of identity construction in stimulating positive outcomes in organisational change (Colman & Lunnan, 2011).

The accounts of Finnish acquirer managers that were intended to produce an impression of control (see Section 5.4 for Example 8) were constructed in a fashion similar to that of the example in Figure 15. The use of language by the Finnish acquirer managers appeared to reflect the perception that they were not the highest authority in the integration process. A lack of identification with the acquirer organisation may be another reason why the Finnish acquirer managers did not use the control repertoire.

I identified also another type of repertoire use among target managers, which I interpreted as an alternative coping strategy. I found that in some accounts managers drew only from the various out-of-control repertoires. Figure 16 provides an illustration of a typical account constructed with the survival, cultural and expectation repertoires (for a discussion of similar target accounts, see Section 5.5, Examples 9, 10 and 11). All of these accounts lacked a finalising in-control repertoire, which would have enabled construction of the impression of control. Considering the interplay between parallel out-of-control repertoires, and the emphasis on assigning blame to the acquirer, the accounts of these target managers appear to construct resistance towards the acquirer.

In such accounts, with the help of shifts between the survival, cultural and expectation repertoires, the managers constructed rich descriptions of early integration challenges. Vaara (2002) found that managers tend to create convincing accounts by combining elements of various discourses, especially when creating failure accounts and making assertions concerning the responsibility of particular actors. By constructing representations of

**Figure 16.** An example of the construction of resistance in a target manager’s account
challenges that they cannot control, the target managers seem to construct a position of bystander. This outsider position was interpreted to shift responsibility for the on-going early integration to the acquirer managers. The resistance accounts of the target managers were therefore interpreted to reflect their abandonment of ultimate control after acquisition. According to this interpretation, these accounts reflected also resistance to change.

Post-acquisition integration is acknowledged to be messy and stressful for both employees and managers (Marks & Mirvis, 1997; Somers & Bird, 1990; Schweiger et al., 1987) because two separate and different organisations and two management cultures are brought together and people from both sides start working together. The target becomes the object of changes and new control, and also cause uncertainty and anxiety in many cases (e.g. Schweiger & Ivancevich, 1985; Cartwright & Cooper, 1990, 1993; Marks & Mirvis, 2011a, 2011b; Sinkovic et al., 2011). In this study language use by the target managers – the concurrent construction of resistance on the one hand and the construction of an impression of control on the other – apparently reflected sensemaking by the target managers of the changes and their own role in early integration and the new organisation. Language use reflected efforts by managers to balance between their role as responsible managers and their new role as controlees after acquisition of their business unit, hence pointing to pressures experienced by target managers in the early integration context.

By constructing resistance accounts, the target managers abandoned the role of responsible manager. Such avoidance of responsibility can be considered rather unusual in Finnish culture. Considering the interaction context, such accounts were apparently appropriate due to the messy early integration phase and the cultural connections among the Finnish interview participants. However, in an organisational context, such talk may have more adverse consequences. Also the integration discourse encourages unification of organisational aims instead of being critical. Resistant target managers would easily be considered adversaries or non-company men. Hence we can assume that not all repertoires are easily transferrable to organisational context.

**6.1.4 Control as a shared effort**

This thesis has argued that both the acquirer and target managers constructed an impression of control in social interaction. Consequently, I found that both the acquirer and the target managers were involved in keeping early integration under control. While earlier studies on integration control have addressed control exclusively as an acquirer’s concern and have made contributions to the field by studying the effect of cultural differences on control mechanisms in M&A processes (e.g. Calori et al., 1994; Lubatkin et al., 1998; Child et al., 2001; Al-Husan & James, 2003; Malhotra & Gaur, 2014), this finding contributes to the field of M&A integration control by arguing that control in managers’ talk was socially constructed as a shared effort between the acquirer and the target managers.

Whereas the traditional control repertoire was used by the acquirer managers to construct early integration control as the responsibility of the acquirer, this study introduced the professional repertoire as the target managers’ discursive framework that provides them an opportunity for making themselves accountable and capable of handling the challenges of early integration and in keeping events and business under control. They thereby constructed themselves sharing the responsibility for control, which questions the traditional approach to control as an acquirer’s concern. This questions also the notion of accountability and opens
up new avenues to approach control from a more reciprocal perspective (see Maguire, 1999). This finding has shown a path for increasing our understanding on sharing responsibility during integration to ensure a favourable start for integration.

We can also make some further presumptions of the language use. Whereas the identified repertoires reflect the culture, so do the findings concerning the use of the repertoires. The managers did not individually invent the ways in which they addressed issues, but instead resorted to cultural ways of talking, more specifically to managerial talk or management discourse. When interpreting the findings in the light of the social interaction context, I suggest that by constructing the impression of control, the managers fundamentally fulfilled a social obligation (see Figure 10 on main findings).

This social obligation is suggested to be based on the universally established managerial culture that is dominant in managerial literature and also in studies of post-acquisition integration management (e.g. Haspeslagh & Jemison, 1990; Pablo, 1994; Angwin, 2000; Birkinshaw & Bresman, 2000). This culture expects managers to solve problems, lead operations in a convincing way and ultimately be ‘in control’. The findings suggest that especially the acquirer managers were hesitant to admit that the early integration was not under control, as it could question their managerial abilities.

The choice of repertoires and construction of accounts also reflected the roles adopted by managers. The acquirer role proved to be stricter and the social obligation in the construction of control among the acquirer managers greater. Some target managers also described the on-going phase in a more critical way constructing accounts which challenged the controllability of early integration. Construction of early integration disorganisation shifted the responsibility entirely to acquirer. At the same time, target managers abandoned the social obligation for control. As discussed earlier, the function of these accounts by target managers was to construct resistance towards the acquirer.

All in all, the findings suggest that ‘being in control’ is important to managers during early integration. Also, an obligation which is culturally bound is difficult to resist. Therefore, it is worthwhile understanding its power in managerial discourse. Earlier research has acknowledged the central role of rationalistic success stories (Vaara, 2002) and the illusion of control in the planning phase of M&As (Jemison & Sitkin, 1986). The findings concerning the use of in-control repertoires confirm the dominance of the rational control discourse in managers’ talk. This suggests that especially acquirer managers may overemphasise their own abilities to control change processes or the controllability of integration in general. Whereas this finding relates to the interview context, it may have implications for the organisational context as well. These are discussed next, as I now turn to considering the practical implications of the findings and paths for further research.

6.2 Managerial implications

The findings of this study have some noteworthy implications for managers involved in post-acquisition integration. This study presents six interpretive repertoires used by the acquirer and target managers in the interviews to construct versions of early integration. To take the discussion of the findings to the practical level, I will first discuss the consequences of the repertoires in general and the potential consequences of their use in organisational context.
First, many studies confirm that rational and cultural discourses are frequently used in M&A contexts. This study introduces a control repertoire, emphasising acquirer-driven control in early integration. It is built on rational discourse reflecting the traditional managerial perspective. However, overreliance on such a repertoire in organisations may overemphasise the acquirer’s responsibility for keeping integration under control and have undesirable consequences. Emphasis on the role of the acquirer and the integration team may lead to passiveness on the part of target managers in discharging their own responsibilities. In addition, acquirer overconfidence about the controllability of integration (potential constructions of an impression of control) and concurrent perceptions of disorganised integration on the part of target employees, may lead to increased resistance among target employees. In the worst case, discourse in the organisation may polarise and the acquirer and target managers resort to the construction of adversary positions.

To avoid such escalation, which is unfortunate in organisational settings where integration is the aim, integration managers should focus attention on communication during integration and managing expectations. This includes openly acknowledging the messiness of integration and ensuring shared understanding of early integration challenges. The survival repertoire provides evidence of what to expect in early integration. In this example of post-acquisition integration it was a lack of managerial resources. More generally, it is the messy circumstances of early integration. Surprises are unavoidable. The early weeks and months of integration require flexibility and survival skills from managers. The acquirer and the integration team should therefore help their organisation (including target managers and employees) to align understanding of the issues to be prioritised. By building a realistic understanding of early challenges instead of an ‘illusion of control’, integration management could attempt to normalise challenges and at least build up the capacity to cope with the ambiguities.

Second, this study has identified the efforts of the target managers to socially construct an impression of control, emphasising their own role in controlling the early integration. Although this finding is specific to the interview context, it points to a potential resource in organisational settings. Integration managers should, therefore, acknowledge the efforts of target managers in both running ‘the business as usual’ and in keeping integration ‘under control’. This is especially crucial in low-level integration acquisitions, where the target organisation is given considerable autonomy to operate. First, the integration managers should negotiate the roles and responsibilities of target managers clearly and promptly in early integration. This helps target managers in focusing their efforts during change. Second, in the light of the findings of this study, integration managers should consider a shift from repertoires that emphasise the acquirer’s role in integration to a repertoire that also acknowledges the target organisation’s strengths and fosters shared responsibility in managing integration. Total acquirer responsibility need not be reconstructed as a norm.

Third, acquisitions are often approached with intentionally exaggerated potentials and consequently high expectations. The wedding and marriage metaphors are frequently identified when referring to acquisitions and their integration. Sellers and targets are ‘wooed’ and ‘proposed to’. However, like marriages, acquisitions require tolerance of differences and imperfections. As organisations and people combine in integration, differences between the acquirer and target become more observable and tangible and the parties start accommodating to each other. In this study, language use by the target managers reflected a
perception of the early integration as a survival game. In addition, the mere existence of the expectation repertoire, from which target managers drew to construct early integration challenges and disappointments, was itself unfortunate. Hence the acquirer management should pay attention to acquisition storytelling directed at the target organisation in negotiation talks and internal events. While it is customary to create optimistic narratives to convince corporate stakeholders of the benefits and positive future of the newly formed company, unrealistic expectations for the future are likely to backfire at some point to the detriment of integration. Special attention should be paid to communication in acquisitions made by a serial acquirer. They have significantly more experience in the process than the smaller targets to whom early integration messiness may come as a surprise. Acquirer managers should therefore focus on managing expectations in acquisitions to avoid escalation of expectation gaps that have the potential to complicate integration.

Finally, several earlier studies on M&A integration have concentrated on cultural differences and their impact on the success of integration. Although culture and cultural differences were not in the focus of this study, the findings touch upon the topic, as the cultural repertoire was frequently used by the interviewees. As many scholars agree, it appears that cultural differences on various levels (national, organisational and business field) are inevitable in integration. Hence I suggest that rather than hide behind cultural explanations for unavoidable difficulties, managers need to understand the cultural complexities involved, especially the cultural clashes and shocks that require cultural sensitivity in early integration. Instead of concentrating on the difficulties, integration management should pay more attention to the strengths, identity, and sources of organisational pride of the target organisation, which in this study surfaced as the professional repertoire. Acknowledging not only the financial value but also the target’s other sources of value, its organisational strengths and the capabilities of its managers, the acquirer could not only make use of the target’s organisational pride for the benefit of the on-going integration, but also build commitment. This could potentially reduce resistance and create more unity than division and difference. By involving the target organisation and committing it to integration, management would be able not only to demonstrate sensitivity but also to create tolerance of uncertainty and align understandings of critical issues.

6.3 Paths for further research

I conclude the thesis by suggesting some interesting paths for further research revealed by my research. First, this study focuses on the social construction of early integration realities. Early integration in this study appears to be a rather disorganised phase. It is suggested that the challenges of early integration can escalate in the absence of management attention and intervention to the detriment of later phases. More understanding of such nuances of integration could reveal insights into more successful acquisitions. Consequently, I suggest we should pay more attention to early integration idiosyncrasies in creating understanding of M&A integration processes. Whereas the study at hand resorted to recorded interview material as the data source, and the data were generated among a limited number of research participants, the early integration phase is worthy of further research. Whereas this study concentrated on interviews as the context for social constructions, organisational context would also be an interesting context for a social constructionist study of early integration.
This study has introduced an array of interpretive repertoires that can offer avenues for further research. On the one hand, the learning, resistance and professional repertoires of early integration, which were identified as the ‘in-control’ resources of the target managers, are interesting. It is acknowledged that the findings of this study are one interpretation of the data set. However, having offered target managers resources for positive identity construction, they provide potential for studying further how the target managers deal with the challenges of integration. On the other hand, the remaining less-official repertoires, autonomy, expectation and survival, point to issues which appeared important in early integration context. By providing an interpretation of the early integration data set, this study opens up interesting paths for further investigation. An especially interesting path for further research would be the role of managing expectations in the M&A context.

Second, as a considerable effort has been made to study acquisition from the acquirer perspective, the target’s perspectives and expectations are also worthy of attention. This is especially critical in acquisitions where integration seeks strategic interdependence and depth. One concept worth a closer look is that of responsibility. This study has illustrated how control is socially constructed and how language use by the target managers also reflected issues of responsibility. Whereas being in overall control of early integration appears unrealistic, we still need more understanding of how to deal better with the pressures inherent to the process. Target side concerns offer potential for increasing understanding of critical issues in integrations.

Finally, in this study managers’ language use reflects a need to appear rational and ‘in control’. To offset overemphasis on control issues, I suggest that M&A study field would benefit from increased understanding of how managers cope during integration. Earlier studies have suggested that the start of integration is an especially stressful phase for target employees and managers. This study suggests that the professional repertoire provides target managers with a linguistic coping framework during early integration. By using the professional repertoire, target managers were able to construct an impression of control even during messy, potentially stressful times. Whereas it has been suggested that identity threats during change pose a challenge to the creation of acquisition value, pre-acquisition identity may prove a valuable resource for target managers dealing with the change. Studying these strategies may provide new insights into post-acquisition integration and its successful management.
7. References


Cordin, M., Christmann, P. & King, D.R. (2008),


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8. Appendices

Appendix 1. Interview themes

Personal background
- role in the company
- professional experience
- role/position in this specific integration

Acquisition
- motivation
- background
- experience

Integration
- company/own priorities
- changes
- control
- people
- key actors
- roles
- issues
- challenges
- changes in own role/ work
- surprises

Target company
- people
- key actors
- leveraging power
- disagreements