

Managing Mergers & Acquisitions

(21E00029, 6 op, 23.04.2024 – 30.05.2024)

SYLLABUS

Version April 23, 2024

Instructor's contact information	Course information
Teacher in charge: Sarianna Lundan E-mail: sarianna.lundan@aalto.fi Office: BIZ building, Management Studies Office Hours: upon agreement via e-mail	Status of the course: Master's Programme in Management and International Business, Strategy Work specialization area; Aalto course Academic Year, Period: 2023-2024, Period V Location: T004
Teaching assistant and co-teacher: Hilla Back E-mail: hilla.back@aalto.fi	Language of Instruction: English Course Website: https://mycourses.aalto.fi/course/view.php?id=41181

1. OVERVIEW

The course offers a theoretically grounded and practically relevant overview of key themes in mergers and acquisitions (M&A) with emphasis on post-merger integration (PMI). Building upon a theoretical understanding of organizational changes and M&A-specific concepts and frameworks, the course discusses various problems and challenges in M&As and PMI. These include strategic integration and synergies, cultural challenges, identity-building, cognitive and emotional dynamics of inter-firm collaboration, politics, communication and learning.

The course consists of two parts: (1) a more theory-driven discussion of different perspectives that can be used to analyze M&As and (2) a more practical application of these perspectives to analyze a chosen real-life case organization. In this way, the course combines theoretical reflections and business practices. The course has visiting speakers.

2. PREREQUISITES

It is recommended that the student has completed basic course(s) on strategic management before this advanced-level course (such as 21C00100, 21E00030 or TU91.1011).

3. LEARNING OUTCOMES

The course provides the students with an up-to-date understanding of theories and practices of M&As that will help them understand the nature of M&As and plan and implement post-merger integration. Upon completing the course, the students should be able to:

1. Understand the challenges that organizational members involved in M&As are confronted with;

2. Analyze the M&A process with its challenges and dilemmas from different theoretical angles;
3. Learn to develop an integration plan for M&As that would allow maximizing strategic synergies, while minimizing cultural challenges and risks;
4. Be able to assess and manage the complex dynamics in unfolding M&A integration.

4. ASSESSMENT AND GRADING

Assignments (maximum of 107%)

The course is graded based on the following:

1. Individually written learning diary based on the lectures and the pre-reading articles (10 articles): 40%
2. In-class case 10 % (+ 5%)
3. Team assignment consisting of an integration plan done in groups: 50%
4. Completion of feedback survey: 2%

Regular class attendance is expected of all students. In special situations and with good reason, remote attendance is also possible.

Final grade (0 to 5) is based on the points below:

- 0-49 points = 0
- 50-59 points = 1
- 60-69 points = 2
- 70-79 points = 3
- 80-89 points = 4
- 90-100 points = 5

All assignments must be submitted in order to get a final grade for the course. General feedback is given during the lectures and/or on MyCourses following the submissions. Specific feedback will be given personally for students or teams upon request.

Note that turning in class assignments is considered acknowledgement of guidelines on scholastic honesty and academic integrity (see section 9).

5. ASSIGNMENTS

1. Learning diary (40%):

Students are expected to complete an independent learning diary. The learning diary should reflect learning from the lecture pre-readings and the actual lecture contents. However, there is no specific need to summarize all of the literature individually (however, you may choose to do this). The student can individually decide how to tackle the issue of convincing the teacher about his/her own learning. However, the learning diary should be a maximum of 18 pages including references (minimum being 10 pages).

Assessment Criteria

Feedback will indicate the degree to which participants have analyzed, synthesized and integrated ideas and conceptual positions in a way which contributes to their knowledge and understanding of this course. Emphasis is on the student's ability to engage with relevant academic literature as a means to personal and professional reflections and development and being responsible for taking action in their own career strategies.

2. In-class case 10% (+ 5%)

In groups of three or four, read the in-class case study and complete your assigned case question. This teaching case will be made available for reading on MyCourses on Wednesday, 15.5. The assigned case question (one out of four possible questions) will be given to your team during the lecture on Thursday 16.5. Your team will be asked to upload your answer to your assigned case question (1-2 PowerPoint slides) onto MyCourses during this lecture. The assignment is graded as pass/fail and pass with distinction. The team to best answer the same question will be assigned the 'pass with distinction'.

Fail: 0 points

Pass: 10 points

Pass with distinction: 15 points

Assessment criteria: Answering the question, innovativeness and originality, applying the literature assigned during the course, clarity

Please be present for the lecture on Thursday, 16.5. You will only be provided a grade for this assignment if present with your team or if you have proof of a *force majeure*.

3. Integration plan (team assignment in groups of three or four) (50%):

In groups of three or four, write an integration plan for a merger or acquisition of your choice. Length max. 18 pages (including references). Choose a case of merger or acquisition. Describe the case and the reason why you chose it. Also describe the motive(s) for the merger/acquisition. In your plan apply the conceptual / theoretical perspectives discussed in class and covered in the pre-readings.

The plan must deal with the problems and challenges of integration.

The plan may include the following sections:

- How will this deal create value
- What will be the operating model of the merged organization, and how will this help to unlock value from the deal
- Roles and responsibilities in integration work
- How will identity(-ies) be integrated or managed
- What are potential emotional reactions to be managed
- How will politics be taken care of
- How will cultures be integrated
- How will knowledge transfer be ensured
- How should the communication be managed

- Integration schedule and justification for this schedule

Assessment criteria for the integration plan will be provided at the first lecture.

Technical instructions for all the assignments

Please use:

- Times New Roman 12
- line spacing 1,5
- margins 2,5

Please provide

- your name, student number, assignment number and the word count on the first page of your assignments

Late submissions of either assignment will be penalized by a 25% point reduction.

1. Bonus: Course feedback survey (2%)

If you complete the course feedback survey, we will award you with two bonus points. This makes the maximum of the course 102%.

2. READINGS

- Björkman, I., Stahl, G. K., & Vaara, E. (2007). Cultural differences and capability transfer in cross-border acquisitions: The mediating roles of capability complementarity, absorptive capacity, and social integration. *Journal of international business studies*, 38(4), 658-672.
- Bodner, J., & Capron, L. (2018). Post-merger integration. *Journal of Organization Design*, 7(1), 1-20.
- Christensen, C. M., Alton, R., Rising, C., & Waldeck, A. (2011). The new M&A playbook. *Harvard business review*, 89(3), 48-57.
- Minbaeva, D. B., & Muratbekova-Touron, M. (2011). Experience of Canadian and Chinese acquisitions in Kazakhstan. *The International Journal of Human Resource Management*, 22(14), 2946-2964.
- Mirc, N., Sele, K., Rouzies, A., & Angwin, D. N. (2023). From Fit to Fitting: A routine dynamics perspective on M&A synergy realization. *Organization Studies*, 44(9), 1465-1490.
- Park, K. M., Meglio, O., & Schriber, S. (2019). Building a global corporate social responsibility program via mergers and acquisitions: A managerial framework. *Business Horizons*, 62(3), 395-407.
- Tienari, J., Aula, H. M., & Aarrevaara, T. (2016). Built to be excellent? The Aalto University merger in Finland. *European Journal of Higher Education*, 6(1), 25-40.
- Vaara, E. & Tienari, J. (2002). Justification, Legitimization and Naturalization of Mergers and Acquisition: A Critical Discourse Analysis of Media Texts. *Organization*, 9 (2), 275-304.
- Vaara, E., Tienari, J., Piekkari, R., & Sääntti, R. (2005). Language and the circuits of power in a merging multinational corporation. *Journal of management studies*, 42(3), 595-623.

- Vuori, N., Vuori, T. O., & Huy, Q. N. (2018). Emotional practices: How masking negative emotions impacts the post - acquisition integration process. *Strategic Management Journal*, 39(3), 859-893.

SCHEDULE :

Session	Date	Topic	Readings	Other
1	Tue 23.04. 9:15-11:45 T004	Introduction to the course	Vaara & Tienari (2002)	
2	Thu 25.04. 9:15-11:45 T004	Managing the M&A process <i>Antti Sinkkonen & Lotta Pyykönen, EY-Parthenon</i>	Bodner & Capron (2018)	
3	Tue 30.04. 9:15-11:45 T004	The practical rationale and reality in M&As and in a PMI project <i>Sami Itani, Case: The Adecco Group</i>	Christensen et al., (2011) Park, Meglio & Schriber (2019)	
4	Thu 02.05. 9:15-11:45 T004	Socio-cultural integration in M&As <i>Prof. Janne Tienari, Hanken</i>	Vuori, Vuori & Huy (2017) Björkman, Stahl & Vaara (2007)	
5	Tue 07.05. 9:15-11:45 T004	Value creation perspective on M&As Finance & long-term M&A perspectives <i>Suvi Onkamo-Häkkinen, CEO of Adecco Group Finland</i>	Mirc et al., (2023) Tienari, Aula, & Aarrevaara (2015)	
6	Tue 14.05. 9:15-11:45 T004	Power, politics, language and D&I in M&As <i>Prof. Rebecca Piekkari</i> <i>Doctoral candidate Hilla Back</i>	Vaara et al. (2005)	
7	Thu 16.05. 9:15-11:45 T004	In-class case assignment	Minbaeva & Muratbekova-Touron (2011)	
	Fri 17.05 23:59			DL: Learning diary
8	Tue 21.05. 9:15-11:45 T004	Integration plan assignment consultation with the lecturer		
9	Thu 23.05. 9:15-11:45 T004	Integration plan assignment consultation with the lecturer		
10	Tue 28.05. 9:15-11:45 V002	Integration plan assignment consultation with lecturer		

Wed 05.06 23:59	DL: Integration plan final report
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8. COURSE WORKLOAD

Contact teaching	30 h
Independent work	130 h
Total	160 h (6 ECTS)

9. ETHICAL RULES

Aalto University Code of Academic Integrity and Handling Thereof

<https://into.aalto.fi/display/ensaannot/Aalto+University+Code+of+Academic+Integrity+and+Handling+Violations+Thereof>