

Managing Mergers & Acquisitions

(21E00029, 6 ECTS)

SYLLABUS

Version (April 16, 2021)

Instructor's contact information	Course information
Teacher in charge: Hannu Seristö E-mail: hannu.seristo@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: 2020-2021, Period V Location: Online via Zoom Language of Instruction: English Course Website: https://mycourses.aalto.fi/course/view.php?id=27469
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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 scholars and visiting industry speakers.

2. PREREQUISITES

Completing basic courses on strategic management before this advanced level course (such as TU-91.1011 or 21C00100 or 21E00030) is recommended.

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 100%

The course is graded based on the following:

1. Individually written reflection papers on the pre-reading articles (9 articles): 54%
2. Team assignment consisting of an integration plan done in pairs: 45%

In addition, answering to the course feedback form will add to one point (1%).

Regular class attendance is expected of all students. Students are also expected to be online on time and they should be prepared to turn on the video during the classes for active participation.

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

Reflection papers (54%):

The students are expected to discuss the conceptual or theoretical perspectives presented in class pre-readings. More instructions are provided during the first course session (also made available on MyCourses).

Reflection on given articles, max. 2 pages (or 3 in in case written in pairs) per article, font 11, line spacing 1.0

- Summarize the key points and lessons of the articles (max. 2 points)
- Discuss whether the points confirm or refute your practical knowledge or intuition (max. 4 points)

You have a chance to write the reflection papers in pairs – the evaluation will be adjusted accordingly. Late submissions will be penalized by a 50% point reduction.

Integration plan (team assignment in pairs) (45%):

In pairs write an integration plan for a merger or acquisition of your choice. Length max. 15 pages, font 11, line spacing 1.5 (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

6. READINGS

Articles for the assignments due April 26:

- Clayton Christensen, Richard Alton, Curtis Rising, and Andrew Waldeck (2011): The Big Idea: The new M&A Playbook. HBR March 2011
- Kathleen Marshall Park, Olimpia Megliob, Svante Schriber (2019): Building a global corporate social responsibility program via mergers and acquisitions: A managerial framework. Kelley School of Business. 13 pages. Via www.sciencedirect.com

Articles for the assignments due May 3:

- Pucik, Evans, Bjorkman (2017): Forging Cross-border Mergers and acquisitions.
- Vuori, Vuori & Huy (2017): Emotional practices: how masking negative emotions impacts the post-acquisition integration process. Strategic Management.

Article for the assignment due May 5:

- Eero Vaara, Janne Tienari, Rebecca Piekkari and Risto Sääntti (2005): Language and the Circuits of Power in a Merging Multinational Corporation. Journal of Management Studies.

Articles for the assignments due May 17:

- Tienari, Aula, Aarrevaara (2015): Built to be excellent? The Aalto University merger in Finland
- Katherine Xin, Jin Zhong (2020): LiuGong: Integration Challenges in Poland (A), CEIBS case CB0101-PDF-ENG, 6 pages. Revision October 2020. Via HBSP.

Article for the assignment due May 24:

- Bodner & Capron (2018): Post-merger integration, Journal of Org. Design

Article for the assignment due May 26:

- Becky Kaetzler, Kameron Kordestani, Emily O'Loughlin, and Mieke Van Oostende (2019): Managing and Supporting Employees through Cultural Change in Mergers. McKinsey & Co., online article December 2019.

7. SCHEDULE

Session	Date	Topic(s)	Assignment Due Date
1	Tue 20.04. 9:15 – 12:00	Introduction to the course and getting e.g. assignment teams organized	
2.	Thu 22.04. 9:15 – 12:00	Value creation perspective on M&As Financial analysis in M&As <i>Prof. Sami Torstila, Finance</i>	
3.	Tue 27.04. 9:15 – 12:00	Design perspective on M&As The rationale and reality in M&As <i>Jukka Moisio, CEO of Nokian Renkaat</i>	Reflection papers on – Christensen et al. – Park et al. due on 26.04. at 10AM
4.	Tue 04.05. 9:15 – 12:00	Managing people in international M&As <i>Prof. Ingmar Björkman, Intl. Bus.</i>	Reflection papers on – Pucik et al. - Vuori et al. due on 03.05. at 10AM
5.	Thu 06.05. 9:15 – 12:00	The power and politics of common corporate language in PMI <i>Prof. Rebecca Piekkari, Intl. Bus.</i>	Reflection paper on - Vaara et al. due on 05.05. at 10AM Assignment on news.
6.	Tue 11.05. 9:15 – 12:00	Managing the M&A process Risto Lummaa & Antti Sinkkonen, EY-Parthenon	
7.	Tue 18.05. 9:15 – 12:00	Article & case discussion session	Reflection papers on – Tienari et al. – Xin & Zhong due on 17.05. at 10AM

Session	Date	Topic(s)	Assignment Due Date
8.	Thu 20.05. 9:15 – 12:00	Integration plan assignment consultation with the lecturer	
9.	Tue 25.05. 9:15 – 12:00	Integration plan assignment consultation with the lecturer	Reflection paper on - Bodner & Capron due on 24.05. at 10AM
10.	Thu 27.05. 9:15 – 12:00	Integration plan assignment consultation with lecturer	Reflection paper on - Kaetzler et al. due on 26.05. at 10AM
		Feedback sessions on the plan can be agreed for the weeks starting on Monday June 14 th	Integration plan final report due on Friday 04.06. at 10AM

8. COURSE WORKLOAD

Contact teaching	24h
Independent work	136h
Total	160h (6 ECTS)

9. ETHICAL RULES

Aalto University Code of Academic Integrity and Handling Violations Thereof

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