

# Behavioral organization: Merger–Acquisition Integration (Theoretical Approach and Applied) for Jordan Companies

Dr. Jihad.Alfarajat

Department of Business Management,  
Al-Hussein Bin Talal University, College of Administrative Management and Economics, Ma<sup>an</sup> - Jordan

Dr. Mohammad. M. Alalaya

Associate Prof. in Economics and Quantitative Methods  
Al-Hussein Bin Talal University, College of Administrative Management and Economics, Ma<sup>an</sup> - Jordan

**Abstract:** This study as other previous studies finds that theory puts has a higher consequence as outcome arising from pre-existing structural characteristic. Also there is clear evidence that complexity is the most predominate, enhance, this study aims to examine the performance of merger –acquisition of organization as it involves the pre-established structural specific characteristic, as team behavior, infrastructure support, organization complexity, enhance the effect task structure, and motivation, also the willingness to share information and cultural unification. Also we have used (Vasconellos and Kish) model to support our results of merger-acquisition integration through implies the model to our two companies, the results support our opinion that M/A integration can improve and make progress and successful result to the companies which interred to M/A integration process.

The extent to which the organizational provides an infrastructure of firms support is also quite at adequate levels and expected to have a positive correlation with the post-merger outcomes for the Jordanian companies. Individuals- willingness to have the information is in the lowest level of association with the performance and integration of the organization. Counterintuitively, the analyzed leading to a cohesive of the behavioral theory of the post-merger, and has a paves away of the scholar to study and applied the integration dynamics and using mathematical models which can be tailored as specific circumstances.

**Keywords:** Post Merger-Acquisition, Integration, Organizational Performance,

## 1. INTRODUCTION:

### 1-1: Problem Statement:

The merger and acquisition (M & A) were become in the last decade an important think to achieve significant resource commitments, also to dictate the fortunes of companies in order to involve for future periods. The researchers focus on less tangible social factors such as psychological factors related to the integration of merger and acquisition firms, more than traditional financial and strategic perspectives. Due to the importance merger and acquisitions which considered an important factor of business growth and its relevance to family firms, and the interplay between these aspects influences what people perceive as organizational culture in terms of theories, concepts, and research in the field of organizational behavior and to engage in reflective dialogue the analytical skins of Jordanian companies of the theoretical frameworks, challenges, and dilemmas facing the field. Norms and value in a specific setting.

### 2 – 1: Objective goals of the study:

This study aims to offer as other past papers of researcher's introduction core

Theories, concepts, and research in this field of organization behavior, also to engage in reflective dialogue the analytical skills of Jordanian of the theoretical frameworks, challenges, and dilemmas facing this field. This study also aims to show the value creation during the post-merger –acquisition integration of companies if there is an integration of any degree, enhance also to have an idea of the success factors which can evaluate the integration speed on the efficiency of applied the merger –acquisition in the Jordanian companies.

### 3 -1: previous studies:

(Teerikanas, 2006) in his study defines the integration as a process which can Leads the process to success with integrating of some factors cooperate together to create the product such as administrative, organizational structure, financial system, communication system, operative system (R & D, marketing, production system) these factors as a multidirectional factors cooperate in their effect together with mergers should make it more facile for all company departments to make their functions harmoniously with the combined entity where (Pitkethly, et al, 2003) studied the integration with less important of how business of adequate integration, can join the operation, also they have ranked the integration from low to high level, passing through the adequate levels, enhance the stated that is herded it is to execute integration in their study they focusing on two categories by differentiating the holding categories, where the acquiring company is attempting a turn round but with out of any degree of integration. While symbiosis assumes a certain degree of changes in both companies.

Mergers acquisitions (M & As) have drawn attention and an important subject for researcher, and manifold viewpoint also took a large space of thinking of many researchers, these taken a numerous factors apparently influencing the success of M & A projects and these leads to extremely fragmented body of knowledge with although logical strive for integration has been expressed by these researchers.

Numerous factors which manifold criteria for evaluation have been identified by the researchers. The theories and policies of how these factors interact in culmination with each other to currence the success of the project or a company.

Some authors focus on the success of family business such as (Astrac+han, 2010) in his paper, he cares about the factors aspects the growth and success of these family firms. 2008). the socio-culture pattern has a place of originating from family influence on business (Hall, et.al,2008)

(Holladner and Elman, 1988) have pointed to the risk of oversimplification in focusing to the founder in the process of cultural development these founders influences is filtered through the behavior of management team in the firm or company many researchers has introduced the concepts( owner-conterie) cultures to the whole family rather than solely.

The largely offset by a situation which occurs during the post-merger integration of companies making a value gap, which refers to differences between the expected value of the post-merger company which can be measured by some independent value of each company value gap happen between two merger companies which include:

- Experience of a company.
- Management wars.
- Failure to change and to manage risk.
- Integration.
- Loss of vision and leak of this vision.
- Poor communication with others.
- Culture clashes.

The extent to which the organizing can provide infrastructure support to the firms is supporting the common exception that organizational complexity is a powerful influential characteristic of integration and performance.

Through inorganic extension, this approach typically involves a merger with, or an acquisition of (Capron and Mithell, 2012) stated that a merger- or acquisition has a high degree of execution – risk inherent in it is boundless complicity.

This study concentrate of two prominent concerns with two classified characteristics that can be considered as a) cultural and b) as structural, enhance, with regard to post-merger outcomes from the success process the concern of many papers also this study is: a) the organizations performance and b) the degree of cultural unification in regard to the antecedent features of integration.

*Focusing managerially on direct – controlled features such as:*

a) the structure of works and team works, b) the level of infrastructure supported provided by the organization, c) organization and team level complexity, d) the behavioral characteristic such as individual predisposition for seeking and ----- information, and focusing on the assigned task this can be considered as preexisting characteristics of integral facts of an organization learning system, which a compounded with the mat-ovation of team works in a firms and as a result of organization's learning process ultimately affect the performance of the dynamic organization this can be achieved by the dynamics of knowledge (information) diffusion with in the combined organization.

(Calpin, 2010) offers the deliberate that management follows during the post-merger integration period is primarily to the determination of integration success or failure.

Where (Epstein, 2004) suggested several drivers of merger success that includes sociality-slated factors such as coherent integration strategy.

We can classify the researcher of merger and acquisition into three groups or categories; organizational and process-oriented strategies, and financial (Marks and Mirvis, 2001).

Studied the potential problems in managing changes during the integration as (Franklner and Campbell, 2003), the team of administrative in a company may also contribute to achieving cost reductions, if the previous team was profligate.

It is a process of adaption, this adaption can occur through company perform, and transfer of completeness to achieve acquisition goals with the team of worker is the company the post integration of merger and acquisition of companies take a large space of authors some of them considered it as a motor of the organizational change and development, and put in their account it is overall regeneration strategy which can include the red employee and the disposal of intangible and tangible resources of companies, also the reconfiguration of these companies as (Chakrabarti and Mithell, 2004; Elsass and Veiga, 2006) and (Nemanich and Vera, 2009).

*Section two: Literature Review:*

1 – 2: The fine success drivers of post-acquisition integration which leads to profitability and to forward gains in companies are:

- Planning strategy, serious integration team, coherent integration finally communications, but we can add two possible drivers that ability and personality of leader to guard forward then commandment of post-merger acquisition.
- The leading team of worker and managing the process in the companies and change the previous policy and change leading to increasing profitability, (Harbison et. al, 1999) draw and determined the three elements which are necessary for change.

Table (1): Element of Changes

Vision	Architecture	Leader Ship	Out Come
Available	Available	Available	Successful post-acquisition integration
Available	Available	Available	Change isn't cascaded throughout both compar.
Not available	Available	Available	Lacks direction of new interspersion
Available	Not available	Available	No process of integration
Not available	Available	Available	Bureaucrat
Not available	Not available	Not available	An academic exercise
Available	Available	Available	Empty char

Source: Harbison et al,1988,pp.8

Authors in this field studied the factors of integration such as: defining and managing deadlines, budgeting integration costs, the forming and implementing of communication strategies, synergy monitoring, involving different key people during integration cultural issue, therefore determinate different factors affecting (Epstein, 2004) summarized the importance of integration speed, and the five drivers of success in corporate integration:

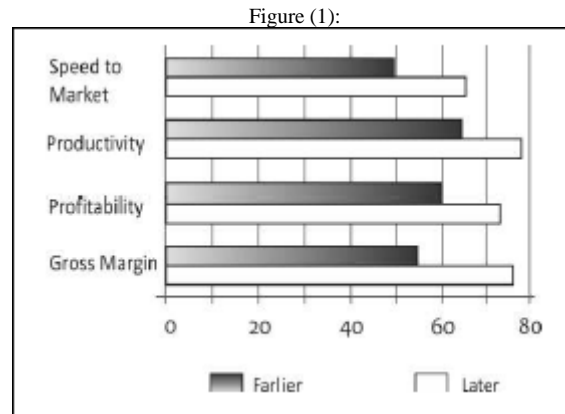
Table(2): drivers of success in corporate integration.

	Merger	Acquisition	Conglomerate
Integration Strategy	Promote "merger of equals". Meritocratic decisions. Practices chosen without respect to previous companies' practices.	Create impression that acquired company was "always there". Acquired company adopts practices of acquiring company.	No major changes in new company. Assimilation of new company in certain key areas, and some oversight functions added.
Integration Team	Full-time, discrete team with ample resources and contributions from senior management. Equal contributions from both companies.	Small, discrete team with ample resources and contributions from senior management. Leadership from acquired company remains.	Leadership from acquired company remains. Management participation in both companies to promote knowledge.
Communication	Customers of both companies must understand changes in business. Employees of both companies must understand new roles and opportunities. Focus on how companies fit together.	Customers of acquired company must understand new opportunities in business. Employees of acquired company must understand new roles. Focus on how acquired company fits into acquiring company's business.	Few changes for customers. Parent company must understand how new company operates and any new synergies. New company must understand parent company's practices and opportunities
Speed	Fast decisions are key for both strategic goals and promoting stability and reducing uncertainty in organization.	Fast decisions are key for both strategic goals and promoting stability and reducing uncertainty in organization.	Fast decisions are primarily important for reducing uncertainty in organization
Aligned Measures	Balance between financial and non-financial measures. Tracking of revenue and const synergies	Focus on how acquired company builds company growth and reduces costs. Acquired company adopts measurement systems of acquiring company.	Most internal measurement stays same for new company. New measures added to assimilate new company into parent company.

Source: Epstein, 2004, 180

Many researchers who emphasize that it is not enough to perform adequate activities for achieving acquisition goals, and integration are not quickly realized, also they have emphasized that slower pace can interfere with innovations and prevent companies from achieving synergies' (Homburg & Bucerias, 2006; Colombo, et. al, 2007; Epstien, 2004) and Wyman et, al, 2008). Who are in their studies provide certain data that integration speed can have a positive impact on the success of merger and acquisition but usually stressed that fast implementation of change speed is useful for companies some of the says that it reduced the cost, others added that it can minimize the scope of uncertainties.

We can support the table (2) by a diagram of impact integration speed on a companies on performance improvement the results which we can conclude that we can detail of integration phase, sources of value in companies applied the post-merger acquisition integration can faced the challenges of transform of knowledge and management skills, else cultural of organization due to the value distraction and employee resistance and the in compatibility of new culture, but other over coming issues and factors, which can create barriers to achieving the goals of comprise and success with the adequate management.



Our study mainly endeavors to enable mergers to provide such response to the drivers and factors which affecting success through the dynamic merger-acquisition integration. We can say that our study can formulate a part of a comprehensive of a behavioral theory through economic measurements and not covers all parts of the theory.

The main motive of the merger was to achieve cost synergies in production, sales marketing.

When problems in the organization arise in the integration, the post-merger integration must have a design to be the success or fail, but nevertheless going back because he deals sour it can be abandoned, though there can be significant financial and reputational loss.

#### 2 – 2: Definition of post-merger acquisition integration of companies:

This process beginning at the moment of the signing of an agreement, also it is usually seen as a long-term and open process. This process involves whole activities which should make the progress and secure the effectiveness of management of organizational activities which can achieve a set of organizational activities and goals.

The post-merger-acquisition can be seen as, the integration and combining a series of management initiatives and related to issues of the companies an evolving a series of management initiatives and planned activities, also it is viewed as determining the level of integration, which can be considered as autonomy delegated to the acquired company.

The hybrid organization is formed; in this process, as the adequate management can create the value creation due to the mutual depends on interdependence. (Teerikangas, 2006) define the post-merger-acquisition integration as:

- 1- Process dealing and care of compensation and communication system, financial system, operative systems (production, marketing, R & D) and as result of the whole process, dealing with administrative organizational structure. Post-acquisition can be executed any level.
- 2- Depends on the circumstances around the companies as external environment and external environment, one of them the physical level which interest of production lines and technology.

The socio, Culture of organizational integration which included many factors such as; the development of the culture of organizational for companies, changes of organizational culture to new culture, the selection type of management and how the adaptation with the new entity. (Pilkethly, et al, 2003), not give great interest to the speed of integration between companies, but focused not how it happens, but if it executed on an adequate level, they ranked the level of integration from low to high, the acquired company can be integrated partially with other company, the company can merger into organizational figure of integration.

Many authors as (Nahavandi and Malekzadeh, 1988) and (Kimberly and Lanint, 2004) they have studied the harmonization culture of post merger-acquisition as different degrees of relatedness between the two companies and a degree of tolerance of different culture surrounded the companies.

In general the integration process required a degree of change in both companies to create the competencies and to adopt the leading practices in order to combine them together, therefore the stages can be performed as transferring strategy competencies, and have initial protection which can follow by a period a gradual involvement (merging and combining) to establishing a balance between companies goals, administrative system and resistance of employment.

#### 3 -2: Cultural aspects of Post-merger-acquisition:

Integration between companies with similar business activities has become from the 1990s as merger wave up to now and most concerned in management, and it becomes one of the most important factors of success which has been the ability to manage firm and important to integrate the merging organizations.

(Vaara, 2005), emphases that move from the prevailing culture perspective, being the dominant paradigm in studies of M & A integration towards new aspects.

The firms who work in an international arena may need to know more about merger-acquisition since most of the direct investments are by merger-acquisition (Steen & Welch, 2006). Some authors such as (Ben – Amar & Andre, 2006) stated that through the family ownership and the impact on value creation, the firm of business family can manage a harm any with the local



culture and can have a higher level of long-run productivity, but if they have understood well the cultural assumptions of the social community (Astrachan, 1988) (Miller et al, 2010), reported in their paper that there is more attention and need to distinguish between business risk and portfolio risk as their implications categories for family firms acquisition.

The priority on socio-emotional wealth suggests that family firms are less likely to acquire other firms (Gomes et al, 2010). (Kund, 1992) stated that besides formal control, normative control through organizational culture in a family business setting it includes the family and it is an influence on the culture process. Where (Sorenson, 2000) includes leadership styles that influence the family business outcomes as well as employee satisfaction and commandment. This can give apposite results outcomes as Sorenson this can be cleared in a larger organization which can interplay between merger and owners on their influence of their culture.

Many of the researchers stated that the separation of ownership and management is crucial to understand the influence during the integration process in culture influence measurement many scales have been developed as F-Pec scale of family influence and used these dimensions into a contingency model of family business board. (BSC) balanced scorecard by (Craig and Moores, 2005), (FCS) family climate scales, which developed by (Bjornberg and Nicholson, 2007), many scales also has been developed to measure the organizational complexities.

#### 4-2: The variables of study:

Many variables can be affected the post-merger integration such as:

- 1- The actor specialization: the value lied between 1 to zero, this can be assigned to the actor which are entirely unique to all other actors in the same team the taste nodes has only one tie to the actor node in the task-agent matrix.
- 2- Team interdependence:  
The value 1.00 indicates that non-actor-specialization task is a signed to all actors in the work-team with implying a highly collaborative task.
- 3- Willingness to seek: it is a fraction of the team periods that an actor will be active in the interaction search process the willingness to seek value can be between 0.00 and 1.00.
- 4- Willingness to share: this variable takes on a value 0.0 and of the knowledge. Where comparison to the extreme at 1.00 the actors consider sharing their known knowledge's when interacting with a partner the random selection is made to determine the specific concept to be shared.
- 5- Percentage of task knowledge: it calculated by the number of ties in the actor knowledge network it can be calculated by dividing the number of unique actor knowledge required to task network times actor knowledge.
- 6- Exchange-motivation outreach: it indicates to the numbers of enthusiasm for sharing information with others as to make the unique information accessible to others. Also, this information transfer enables culture integration with and task performance to another group.
- 7- Cultural complexity: is of immediate relevance in the post-merger integration process due to the unify two culture into a single culture in new company members of Alpha will be exposed to be specific culture traits of beta and vice versa, the complexity will lead to more complex integration this process performance, and the organizational culture concepts are transferred in its place.

The culture complexity can be regarded as the richness of exoticness of culture itself and conceived a number of attributes unique to a given culture.

#### Section three: Data and methodology:

The data related to the post-merger-acquisition depends on an accurate response which essentially impossible to collect, due to that any organization, and even just general access to the organization. The data collected from the records of I.C.A for production, and Arab for food production. Therefore both companies are working in the same field.

#### Section four:

Hypothesis of study and empirical results:

This study was conducted to the simulation model and to answer the three hypotheses:

- H<sub>1</sub>: what are the differences between organizations, on fulfilled task-knowledge transfer level?
- H<sub>2</sub>: the hypothesis is formally stated depends to the variables of the study such as the degree to which study such as the degree to which employees specialize, level of term interdependence, willingness to seek thus the hypothesis stated as:
- a. What are the quantifiable effects of the differences between two merger-integrated companies on task-knowledge transfer with respect to antecedent?
  - b. What are the quantifiable effects of two companies' difference on task-knowledge with respect to the antecedent, relative to the task- assignment structure?
- H<sub>3</sub>: what is the effect of pre-established cultural complexity on the diffusion of culture and task management and the effect of cultural exchange motivation.

When we applied the study of two post-merger companies integration we focused on each hypothesis as below:

On first hypothesis we established the following points:

- a. The team level complexity has a dynamic characteristicly similar to that of organization-level complexity.
- b. The organization with the lower level of complexity will make noticeable progress in task knowledge diffusion.

- c. The infrastructure support positively affects the task knowledge transfer rats.
  - d. The difference between team level complexity has minimal effect on the task knowledge transfer.
- In the second hypothesis we have concentrated on the following points:
- a. The organization with lots of interdependence work-team many require less attention during the post-merger integration.
  - b. The efficient process to focus on information exchange only to a point of critical mass rather than to attend to all members of the organization.
- Hypothesis three imposes the following points:
- a. The mergers may safely not be overly concerned about motivating the numbers of the acquired organization to share information.
  - b. During the post-merger integration made required less attention in a connected workgroup.

Empirical results

Table (3 )

The control variables	Values
Organization team-work complexity	
Actor per team first company	3, 7, 12
Actor per team second company	0, 9, 5, 0
Infrastructure support knowledge per team ration second company	0, 7, 3, 0, 5
Organization complexity team per organization (both companies)	3, 8, 2, 0

All results are greater zero or equal to zero in this table the results of main three control variables and subdivide as line control variables and one response variable the task knowledge fine transferee level, the control variables include:

- a. The number of the actor (agents) per teamwork for both companies, while makes up the complexity.
- b. A number of organization-specific knowledge concepts per team of two integration companies which make up infrastructure support.

In the table (4 ) we have applied the OLS of the relationship between control variables and task knowledge transfer. The result of OLS regression indicates that ( $R^2=0.816$ ) of the variance of task – knowledge transfer other results in a table ( ) below.

Table (4) : OLS regression estimation for the relationship between control variables and task – knowledge transfer.

Variables	Coefficient estimate	Prob value
Intercept (time)	0.5632** 0.000179**	(0.00023) (0.000)
Organization complexity team per org.	-0.00875***	(0.00001)
Team complexity Agents / team of company 1	-0.0006634**	(0.0004)
Team complexity Agents / team of company 2	-0.00319**	(0.00035)
Infrastructure support	-0.00411	(0.00002)
Knowledge concepts per team (1)		
Knowledge concepts per team (2)	-0.0385	(0.000)
$R^2=0.816$		

( , \*\* , \*\*\* ) indicates to significance level at (10%, 5%, 1%).

All second company coefficients \_\_\_ statistically significant and each control variable has a negative effect on task-knowledge transfer. As the results of organization complexity in both integration companies increase the expected task – knowledge transfer level will decrease. The infrastructure support has a positive, also the number of knowledge concepts has a negative sign, therefore, we can say that the same or monotonically increase over time a cording to the model which use in this study.

The outcomes variables specific to experiment in this study, where a single control variable is altered. First, the rate of task-knowledge transfer is greater in the lower organization complexity over time. The team complexity for the first company it appears that there is a little statistical effect from varying the level of team complexity.

Also, there is a little statistical effect from varying the level of team complexity for the 2<sup>nd</sup> company. The results of infrastructure supports suggest that the variable is relevant and shows the lower rate of change, and the same effect to the infrastructure support of and the company, therefore, the OLS model can be formulated as below:

$$\text{Task - knowledge} = 0.5632 + 0.000179 \text{ time} - 0.00875 \text{ Team complexity} - 0.0006634$$

$$\text{AqentperteamI} - 0.00319 \text{ Agentpeteam1} - 0.00411$$

$$\text{knoweldgeconceptsperteam1} - 0.0385 \text{ knowledgeconceptperteam}$$

The value of task-knowledge concepts in both integration competes is a contentious value between (0.00) and (1.00).

The equation is consistent and confirms the explanatory visual analysis. These results emphasize the first hypothesis. Those deemed to have eventual benefit relative to non-merger are quite scarce to achieve any level of post-merger integration success eludes most attempt (Harrison, 2007).

It is common that an (M & A) deal is struck for the purpose of adding highly valued human resources the study stayed by recognizing the immense consequence of these human resources and the relevance of the informational aspects of their activities (Lin, 2006).

To prove the second hypothesis two experiments are conducted within the realm of a computational model the computational model the construct based on agent-based simulation software developed and maintained by (Carely – Martin & Hirshman, 2009) also depends on representation model which based on the not work paradigm and follows dynamic network analysis, which imposes by (DNA: Carley, 2003) and (Ellioz & Kiel, 2004); the consistent with agent based simulation model, also the social interaction by (Carely, 1986) to exchange knowledge with one another. The construct is described from an operational perspective which disrobed as control variables in this construct.

Table (5) : descriptive statistics for response variable  
 N=7.213 each experiment

	Mean	Medium	Min	Max
Experiment. motivation	0.63	0.61	0.48	0.95
Experiment: structure	0.76	0.72	0.57	0.83

Regards to motivation, we focused on two essential facts of information exchange individual to seek information, and willingness to share information also with regard to structure the study focused on a- the level of task-specialization of the individuals. b- the team-level interdependence of individual necessary to perform their task the Ols regression as quantitative results.

Table (6) : OLS regression result for structure and motivation effects.

		Intercept & lefficient-estim	Standardize intercept/ coefficient
1.	Structure: intercept	0.672	0.695*** (0.00029)
a-	Specialization: Company 1	0.159	0.187** (0.00032)
	Company 2	0.102	0.135** (0.00024)
b-	Team interdependence		
	Company 1	2.053	0.387* (0.00038)
	Company 2	0.348	0.214*** (0.00054)
	R <sup>2</sup>	0.924	
2.	Motivation: intercept	0.378	0.692*** (0.00023)
a-	Willingness to seek		
	Company 1	0.481	0.238** (0.0003)
	Company 2	0.089	0.097** (0.0005)
b-	Willingness to share information		
	Company 1	0.0036	0.00043** (0.000)
	Company 2	0.00028	0.00007** (0.000)
	R <sup>2</sup>	0.871	

(\* , \*\* , \*\*\*) indicates to significance level at (10%, 5%, 1%). Level standard error are in parentheses.

The two estimation models are formulated as:

$$T_{kn\_estim} = 0.672 + 0.159 \text{ speci}_{co1} + 10.102 \text{ spci}_{co2} + 2.053 \text{ Team inter}_{co1} + 0.34 \text{ inter}_{co2} + \sum_t \dots\dots\dots$$

Where: T<sub>kn</sub> estimated is the structure models of the percentage of task knowledge.

Specialization indicates for the actor.

Specialization for company 1 > 0, and ratio for company 2<sub>1</sub> > 0. ∑ the stochastic error (team interdependence for company1) > 0, and (company2) > 0.

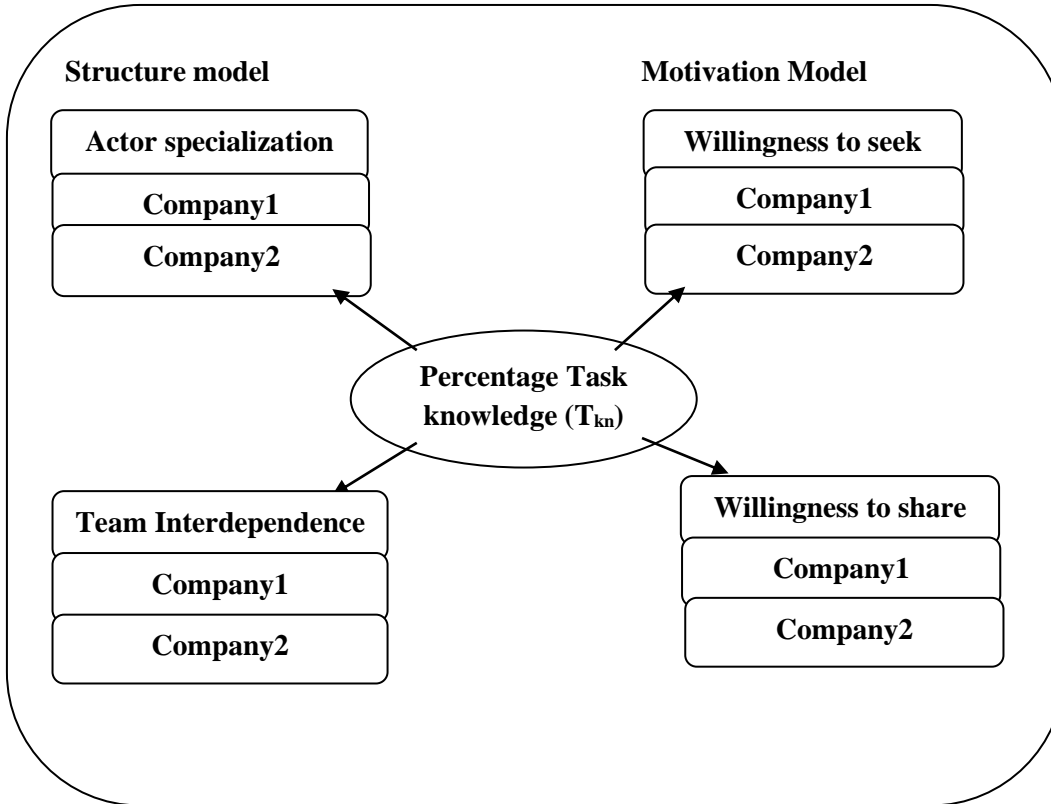
The second model is motivation model of the percentage task-knowledge at the time.

$$T_{kn\_estim} = 0.378 + 0.481 \text{ willingne ss}_{co1} \text{ to seek} + 0.089 \text{ W.Seek}_{co2} + \text{W.share}_{co1} 0.0036 + 0.00028 \text{ W.share}_{co2} + \sum_t \dots\dots\dots$$

W.Seek is willingness to seek,

W.Share is the willingness to share information with others  $\sum_t$  is the stochastic errors.

We can draw the relationship model of percentage task-knowledge ( $T_{kn}$ ) as the following diagram:



The third hypothesis in this study is the effect of legacy organization culture on post-merger integration.

$$T_{kn\_percent} = 0.754 + 0.341 \text{org culture comp}_{co1} - 0.635 \text{or culture comp}_{co2} - 0.723 \text{Team cul comp}_{comp1} + 1.31 \text{Team cul comp}_{com2}$$

All parameters are  $> 0$  where  $T_{kn\_perce}$  is the percentage of organizational culture at the time, all parameters constrained by  $0 \leq T_{kn} \leq 1$  and post constrained by  $0 \leq poc \leq 1$ .

$$Poc = 0.865 - 0.271 \text{org culture comp} - 0.371 \text{Team cul comp} - 0.725 \text{Team culture comp com2}$$

This hypothesis is an investigation into a possible interaction between the independent variables in this study; therefore secondary analysis will be done to investigate the multiplicative effect on the structure of culture and the characteristic of the culture. Where the independent variables (Control variables) are contrived for factorial-designed.

2- The test of two samples for means will do to ensure the structural characteristic effect on the post-merger organization table (7) shows the result of an analysis.

Table (7) : Two sample Means -2-test.

	Structure	Cultural
Mean	4.583	0.0527
Variance	51	0.0621
Hypothesized Mean deference 2	2.338	
P(2 ≤ 2) Entail	0.094	
Critical value	1.0315	



We can use either to evaluate the merger –acquisition integration result in order to support our study; indicates t results a conceptual model which developed by (Vasconellos and Kish, 1996)which can be formulated as :

$$NPV = \sum_{t=1}^T \frac{C_t}{(1+r)^t} + \frac{SV_T}{(1+r)^T} - C_0$$

Where:

NPV: represents the net present value of the M/A.

r: indicates to discount rates of the M/A.

C0: initial cost of the M/A. t: is time period.

T: expected life of the project. And SVR: is the salvage value of the M/A.

According to many variables of the M/A which cannot be measured in the following equation, also it is difficult to available in most of Jordanian companies, therefore the empirical model uses proxies for these not available variables and unmeasured, such as the stock market index is used to access equity and borrowed funds capability of company, and the interest rate and exchange rates are observable in Jordan, the equation as:

Where:

rr: is the proportion of cash flow retained to support future operations.

ERt: foreign exchange rate at ( t)time .

whereEffh :isequity funds in Jordan currency.

BFf is borrowed funds in jordan currency ,and BFj borrowed funds in jordan currency.

$$NPV = \sum_{t=1}^T \frac{[(C_t) * (1 - rr_t) * (ER_t)]}{(1+r)^t} + \frac{[(SV_T) * (ER_T)]}{(1+r)^T} - [EF_h + BF_h + BF_f * ER_0] \quad (2)$$

we can adapt the model due to the absence of the foreign exchange rate due to local borrowing, and omitted the two variables ERt and BFJ, therefore the expected results that companies or firms ca9n accept investment proposal of M/A when the NPV is positive ,otherwise reject it if proposal for merging –acquisition is negative. When we applied the adapted model, we have the results of regression of outward and inward the merging –acquisition integration, results available in table (8).

Table (8): regression results for the two firms inward and outward the merging –acquisition integration.

Variables	Company 1 outward M/A	Company 2 outward M/A	Both companies inward M/A
intercept	2.861 (0.86)	3.659 (2.281)	1.972 (0.84)
FBY	1.542 (0.94)	1.08 (0.982)	0.539 (0.85)
Stock index	1.673 (0.8.23)	0.87 (0.4.68)	0.942 (0.537)
R <sup>2</sup>	0.621	0.634	0.841

Results in parentheses are t – values. FBY: is fund borrowing yield.

The results of inward M/A activities are more satisfying than outward M/A of both companies, the higher  $R^2$  ratio explained the variation well, and indicates to firms or companies alone of outward is less explanations, and individual localization factors play a more pronounced rule receiving end of the merger –acquisition integration. Some says that geographical diversification could play a large rule of M/A integration between companies, but in our opinion the similar factors of M/A integration that leads them to specific firm, also the economic perspectives. The results of table shows that most of variables are different from zero, even when it's negative or positive sign and they are statistically significant, this implies that companies tend to acquire firms. The t –student ratio on the stock market index has higher ratio than other variables, this means that the effect is highly significant, also it indicates to that the stock prices always give assign of increased prices, finally this another instance where the variables likely has to counteracting impacts of the M/A integration.

#### Section five: Concluded remarks:

The post-merger acquisition integration study applied to two companies in Jordan which provided clear evidence that structural factors such as work unit task and the number of work team are more relevant to the post-merger integration outcomes than cultural factors.

This study used many models, but in general based on an agent-based computational model, specifically, construct the behavior of agent depends on the behavioral theory of the firm.

Also, this study does not account for management's integration strategy that often accompanies a merger. Therefore the study limits the applicability to some operational perspectives.

The three hypothesis of this study has been examined through the data set, first hypothesis that post-merger knowledge transfer examining antecedent structural complexity. Where the second hypothesis considered the post-merger integration effect of task structure and motivation to exchange on organization performances and the third hypothesis is "the effects of legacy organization culture on the post-merger integration.

The results of analysis indicates that the size of the organization is high and it has a negative effects performance, where the size of teamwork has a positive affect the performance, and the infrastructure support has a positive affects task performance to a large extent these results are the same result of (Backer & Wa, 2007).

The other finding in the analysis such as, there is less knowledge that must pass between group and also individuals enhance there are more individuals in close proximity that have informed the individual tendency to seek out information is positively correlated with performance, and the complexity of culture in both organization and team level hinders task performance finally the willingness to share information or not has virtually no relationship with the performance of the group. The further future works can studied and address the external validity of the results by field-test the quantitative model and compare the results and also the researcher will need to come over the problem of the structural changes on uses of organizational merger and to formulating studies to prove whether the structure is more important them motivation or disprove the over aching concept. Also the supported model which has used to analyze the M/A integration results is insured the significant of the effect of this process from the statistically results.

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