



## Enhancing Cross-Border M&A Integration in Thailand: Learning Interventions and Strategies

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### Abstract

Cross-border mergers and acquisitions (M&As) in Thailand have increased, driven by the development of the Eastern Economic Corridor (EEC) to accelerate economic growth under the Thailand 4.0 policy. The authors explored the need for skill development for employees working in organizations impacted by multiple acquisitions with seemingly incompatible organizational cultures. Specifically, they conducted an in-depth exploration of relationships among subcultures (i.e., departments) and designed learning interventions for M&As that had rarely been used in previous integration processes. This study employs a mixed-method approach in research design, collecting data from 63 Thai employees across five strata within a multinational organization located in Thailand. The first step used a qualitative method to explore employee development needs for coping with M&As by conducting interviews with 21 employees. The second step involved designing learning interventions. The third step employed a quantitative method to test the training program, using a one-group pretest-posttest design with 42 managers. Key findings highlighted the need to manage subcultural interactions in M&As to mitigate the negative impact on the human dimension within an organization. The implications for theory and HRD practices are discussed.

### Introduction

Cross-border mergers and acquisitions (M&As) have been increasing in countries and industries worldwide (Deloitte, 2018). The value of global M&As in 2021 hit the highest since 2008, influenced by low interest rates. Meanwhile, the global M&A trend suddenly declined in 2022 as many companies paused pending M&A plans due to concerns about economic factors, such as high inflation, rising interest rates, and

market volatility (Broughton, 2022). M&As do not always have a positive outcome as the failure rate for cross-border M&As is relatively high at 70-90% (Rahim et al., 2013). The major factors related to M&A integration are business and people, and the people factor is the major influence of M&A failure (Dringoli, 2016).

Cross-border M&A integration is complex, with challenges such as cultural differences, skill deficiencies,

lack of agreement among leaders, and ineffective communication (Panibratov, 2017). Lee et al. (2015) contend that organizational cultures have become one of the biggest challenges for organizational leaders in terms of building future organizations. The parent culture and many subcultures co-exist within an organization (Schein, 2017). Therefore, the interaction of these subcultures can create both cooperation and conflict among those who influence organizational performance (Harris & Nelson, 2019).

Subcultural group leaders influence social behavior, the engagement of group members, and their interactions (Latta, 2020). Thus, the attributions of group leaders affect the effectiveness of subcultural interactions (Schein, 2017) and correlate with M&A performance (Vaara et al., 2014). For this study, the authors define subcultural interaction in an organization as the social behavior among individuals and groups from different functional subcultures, and the interaction effectiveness (e.g., relatedness, openness, cooperation) as influenced by subcultural-group leaders (Latta, 2020; Schein, 2017; Stangor, 2016). The authors believe that a deeper understanding of the people dimension in M&As can enhance post-integration processes in practical terms while addressing the need for skills development.

Cross-border M&As face distinct issues due to multiple legal compliance challenges, regulatory regimes, and cultural issues (Caiazza & Volpe, 2015), leading to a higher rate of failure (Zhou et al., 2016). To cope with the failure, there have been interventions applying M&A post-integration processes categorized into: (a) the business factor (e.g., redesigning and restructuring in finance, markets, and organizations; downsizing; new strategies); and (b) the people factor (e.g., communications, new cultures, engagement), with the people factor being a vital cause of M&A failure (Deloitte, 2018; Dringoli, 2016; Xu, 2017). Most M&A deals in Thailand during 2000-2014 were domestic, while cross-border M&As had just begun (Popairoj, 2019). Recently, KPMG (2022) reported that the total M&A transaction value in the fourth quarter of 2022 in Thailand was 2.6 billion \$USD with 67 deals and 45% of deal value in cross-border. As the Thai government has promoted investments through development in the Eastern Economic Corridor (EEC) to accelerate economic growth under the Thailand 4.0 policy (Thailand Board of Investment [BOI], 2020), more cross-border M&As may increase in the future.

Additionally, Sarala et al. (2019) emphasized that

future research on the human side of M&As should comprise six avenues: (1) multi-layered identity dynamics, (2) emotional processes, (3) participation and change agency, (4) resistance, (5) human resource (HR) practices and tools, and (6) new forms of communication. As for Thailand, the specific factors interrelated in M&A activities include cultural differences, corporate governance, high ownership concentration, diversification of businesses, weak market incentives, poor perception of minority shareholders, and poor accounting standards and practices (Popairoj, 2019).

Particularly, the authors examined the critical role of managers as subcultural group leaders and change agents in the M&A organization. Research has emphasized the need for managers in M&As to utilize subcultural differences to build competitiveness, however, they still do not have sufficient competency to deal with people issues in the post-integration processes (Tarba et al., 2019). Hence, Thai managers are facing more cultural complexity challenges that strongly affect subcultural interactions in M&As (Phaopat & Mak, 2017). Additionally, Panibratov (2017) contended that managers' roles are to help HR to lessen tensions and speed up change interventions. HR professionals in Thailand have played a significant role in designing appropriate interventions and HR tools for coping with M&A issues such as cultural issues, ill-planned communication, and structuring change management plans (Mak et al., 2017; Suratpipit & McLean, 2014).

## 1. Subcultural Interaction in An Organization

To explore subcultural interactions in the M&A organization for this study, the authors mainly examined the organizational culture model by Schein (2017) and social identity theory by Tajfel and Turner (Hogg et al., 2017). Schein's (2017) model of organizational culture has been developing since 1983 and refers to the role of the organization founder; it comprises artifacts, espoused beliefs and values, and basic underlying assumptions. Schein (2017) elaborated that subcultures emerge from subunits as the organization grows. Each subculture has a different set of artifacts, espoused beliefs and values, and basic underlying assumptions, and these subcultures are associated with their group leaders.

In addition, those subcultures form and maintain the group's identity through social networking and also evolve via their members' interactions (Hatch & Cunliffe, 2013). Subcultural identity relates to perceived roles and group membership with implications for specific tasks; expected behaviors; and relationships that may

lead to conflicts among subcultures (Hall et al., 2018). Additionally, intergroup relationships involve two factors: (a) individuation—treating employees as unique individuals and supporting connections; and (b) group categorization—treating employees as stereotypes with prejudices that induce conflicts among groups and cannot be avoided (Stangor, 2016). These groups' identities and intergroup relations are supported by the social identity theory originated by Tajfel and Turner in the mid-1990s (Hogg et al., 2017). According to this theory, people and group comparisons influence subcultural interactions, which can result in conflict. Consequently, "us vs. them" dynamics affect the quality of interactions (Yildiz, 2016). Therefore, subcultural interactions among departmental group identities influence employees' work behaviors during cross-border M&As.

Additionally, Schein (2017) developed a way to manage multicultural groups in an organization through the concept of a *cultural island*—a psychologically safe space that allows people openly to explore self-assumptions related to authority and relationships through group dialogue. Thus, group members who participate in this cultural island can better understand themselves and others, including improving group collaboration. Stangor (2016) indicated that the characteristic of collaboration is group cohesion, which describes the extent to which group members have positive emotional attachment within a group. The result of group collaboration can be measured according to the group cohesiveness scale (GCS), developed as a group psychotherapy technique in Thailand for any social group activity with interactions among its members (Wongpakaran et al., 2013).

Furthermore, Zagelmeyer et al. (2018) indicated that managers' abilities are vital to communicating positive feelings among employees and implementing managerial interventions to help employees cope with their psychological and physiological stresses from organizational changes in order to achieve personal transformation and to improve work performance. Therefore, the manager's role is that of a mediator in balancing these dynamics in order to maintain and improve organizational group cohesiveness. Then, the needs for skill development can be applied appropriately for managers to handle changes holistically upward and downward during the integration processes.

## 2. Learning Intervention for Adult Learners in Organizations

The key focus of human resource development

(HRD) interventions is on processes (e.g., learning, training, organization development, improving performance) and desired outcomes (e.g., work engagement, retention, success) (Shirmohammadi et al., 2021). Applying learning theories to the core design of organizational learning interventions results in enhanced effectiveness and diversity in human development approaches (Arghode et al., 2017). Merriam (2017) emphasized the need for more than one learning theory to cover the full range of adult learning from professional education to on-the-job training, and to personal growth. Self-directed and transformative learning theories are influential for adult learners in taking control of their own learning, sharing experiences, and conceptualizing ideas through social interaction. Additionally, Arghode et al. (2017) suggested that designing an online learning environment for adults requires online discussion, which encourages adults to share their stories and experiences through daily small talk (chatting) in order to build and maintain their social bonding. Therefore, learning processes for adults should incorporate social interaction through experiential exchange (Dyke, 2017).

Furthermore, learning theory and instructional design effectively combine to contribute to human learning and development in systematic ways (Merriam, 2017). However, applying traditional instructional design models, e.g., ADDIE/analyze, design, develop, implement, evaluate in an organizational context is perceived as having complex steps and as being a time-consuming process (Rothwell et al., 2016).

Therefore, alternative models with higher efficiency, effectiveness, and agility in the instructional design process have emerged (Willeke, 2011). An example derived from software engineering development is the rapid prototyping model proposed by Steven D. Tripp and Barbara Bichelmeyer in 1990 (Dong, 2021). This model demonstrates systematic, short-cyclical processes in instructional design that offer high flexibility and better alignment for continuous, drastic changes (Morcov, 2020).

### 3. Role of Learning Intervention in M&As

Activities in the M&A process is summarized into three phases of pre-acquisition, acquisition, and post-acquisition (Mark & Mirvis, 2016). The first two phases focus on the business dimension, while the post-acquisition phase relates more to the people dimension (Dringoli, 2016). In the post-acquisition phase, the integration begins with organizational structures, policies, work processes and procedures, systems,

acculturation, and personnel with the major challenges being in human integration with a focus on cultural differences, subcultural interactions, and employee resistance (van Marrewijk, 2016).

Learning interventions have been applied in the post-acquisition phase as development and change management tools, such as appreciative team coaching, team building, and cross-cultural training to empower employees' capabilities and psychological support (Thakur et al., 2016). The training and development programs during M&As post-acquisition generate positive impact on employees to adjust themselves into the new organization (Vasilaki et al., 2016), especially important is management development for dealing with employees' concerns (Tarba et al., 2019). Therefore, learning interventions play an essential role in supporting M&A integration processes to enable success.

## Objectives

1. To investigate the underexplored issue of cross-border M&As in Thailand.
2. To analyze the needs for skills development and how a training program, as a learning and development tool, can improve perceived relationships to create effective interactions among subcultures in M&A post-integration.

## Conceptual Framework

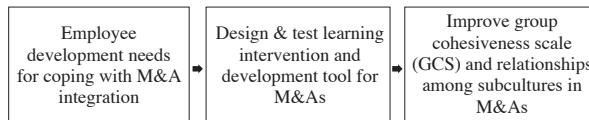


Figure 1 Conceptual Framework in this Study

## Research Methodology

### 1. Research Setting

The company in this study has been through an intensive M&A process and experienced four dominant company philosophies during the past 36 years, and the company name has changed five times (see Figure 1). At the time of this study, the company employed 980 employees, with 224 at the management level and 756 at the operational level. The employees have faced several changes, from restructuring to lay-offs, and launches of different organizational cultures.

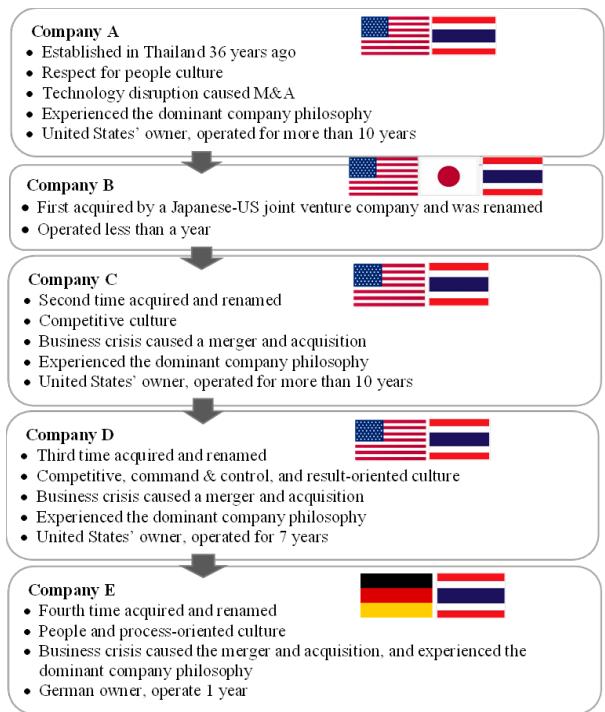


Figure 2 Four Acquisitions for the Organization in this Study

## 2. Research Approach

This study used a mixed-method research design (Creswell & Creswell, 2018.) to collect data from 63 Thai employees from five strata within a multinational organization located in Thailand. It is embedded in the mixed methodology patterns (see Figure 2). Step 1 applied the qualitative method to explore employee development needs for coping with M&As by conducting interviews with 21 employees. Step 2 consisted of designing the training program according to employee development needs from Step 1. Step 3 used the quantitative method by testing the training program and using a one-group pretest-posttest design with 42 managers, then evaluating the effect on group cohesiveness.

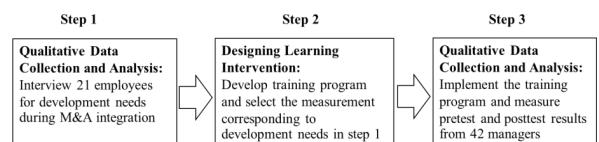


Figure 3 Research Design and Approach

### 3. Participant Selection

The authors employed stratified purposeful selection in the qualitative method (Step 1), with 3-6 participants per stratum, and random sampling in the quantitative method (Step 3) (Creswell & Clark, 2018). The authors recruited employees whose tenure was at least three years in order to ensure sufficient absorption and understanding of the organizational culture and systems (Satsomboon, 2016), from various departments (e.g., production, quality control, engineering, material control, HR, and information technology) in five strata. The authors sent an e-mail to the HR team with the selection criteria. They then sent e-mails to the target employees and their supervisors to gain their permission for involvement and make appointments for online interviews. Twenty-one Thai employees were recruited for the interview phase: director group (4); manager group (6); junior manager group (5); technician group (3); and operator group (3). The authors designed the training program based on results from Step 1 and consulted with the project team in Step 2 to verify the training content. Then, 42 Thai managers were recruited for the training program testing phase in Step 3. The authors sent an e-mail to the HR team with the selection criteria. They then sent e-mails to the target managers and their supervisors for permission to participate. The authors then organized the training sessions. All participants had worked in this organization for longer than three years.

### 4. Research Intervention

Managers' behaviors strongly impact employees' responses to organizational change (Oreg & Berson, 2019). Furthermore, cohesiveness among

managers is vital in reducing conflict among organizational subcultures (Hatch & Cunliffe, 2013) implying that managers have critical roles regarding organizational change management. Therefore, the authors purposely had the manager group (42 individuals) attend a training program designed to enhance their skills in relationship management across the organizational subcultures.

The learning intervention for the M&A was the training program, *Relationship Management in an Organizational Setting: Partnering across Teams in a M&A*. Because of the COVID-19 pandemic, the first half of the training program was conducted onsite (face-to-face three-hour workshop), and the second half was conducted online (microlearning clips, chat group, one-hour weekly coaching sessions) for four weeks (see Table 1).

### 5. Data Collection

The authors used critical case selection (Patton, 2015), which is useful in a difficult situation with a limited number of participants. The qualifying organizational characteristics were: (a) recent cross-border M&A in 2020; (b) facing national cultural change; (c) long-term operation in Thailand; and (d) experiencing multiple intensive M&As.

The authors sought permission to conduct this study by sending a letter with questions to be used to the managing director. The project team, composed of three company members (two directors and a senior staff member) was set up to cooperate with the research activities. For the semi-structured interview sessions in phase 1, the tenure of the participants ranged from 5 to 32 years. There were 9 men and 12 women participating

**Table 1** Training Program and Learning Objectives

Training Content	Learning Objectives
<b>Module 1 Understanding M&amp;A Insights</b> Key activity: Company Journey Map (Sibbet, 2013) on M&A during 36 years for sharing experiences in each M&A event to gather all historical information.	<ul style="list-style-type: none"> <li>Learners reflect on organizational changes and historical alignments.</li> </ul>
<b>Module 2 Understanding Diversity of Team's Culture</b> Key activity: Subcultural Island with dialogue through the world café platform (Brown & Isaacs, 2005) for exchanging perceptions toward departmental symbols, identities, and beliefs on flip-chart papers.	<ul style="list-style-type: none"> <li>Learners exchange perceptions and beliefs regarding departmental subcultures.</li> </ul>
<b>Module 3 Building Trust Across Teams</b> Key activity: Trust walk and building psychological safety, blind walking to have participants experienced feelings of fear and trust (Edmondson, 2019).	<ul style="list-style-type: none"> <li>Learners explore individual trust and fear and discover the "why."</li> <li>Learners as team leaders are able to build psychological safety in teams and across teams.</li> </ul>
<b>Module 4 Communication Across Teams</b> Key activities: Nonviolent communication (NVC) exercise (Rosenberg, 2012) to have participants practiced the new way of listening, repeating, and speaking skills constructively through social interaction.	<ul style="list-style-type: none"> <li>Learners are able to understand other perceptions behind words and expressions.</li> <li>Learners are able to have collaborative dialogues with others.</li> </ul>

in these interviews. On average, the interviewed participants had 22.76 years of experience working with this company. The phase 1 data set was generated from a 60-90 minute semi-structured virtual interview. The authors conducted eight interviews: four individual interviews with the directors and four groups of managers, junior managers, technicians, and operators respectively (see Table 2).

The semi-structured interview questions were developed from Schein's (2017) model of organizational culture, which focused on understanding subcultural interactions. Examples are: "What is the working style in your department?" "What are the managerial techniques that help your department achieve goals in normal and abnormal situations?" After the coding process, key themes emerged that allowed us to identify needs for skill development. Based on this, the authors then designed and developed the training program for managers during phase 2. In addition, the HR team sent us by e-mail the documents related to the company profile, vision, mission, leadership principles, and high-performance behavior models. The authors also took notes of all meetings and conversations with the company project team. The data from the field notes, documents, and strategic conversations were used to gain a deeper understanding of the organization (Kyprianou et al., 2016).

The second data set was generated during phase 3 of the training program implementation. The group cohesiveness scale questionnaire-originally in English and Thai and used with permission (Wongpakaran et al., 2013)-was sent to all 42 managers participating in the training program. The pretest was administered immediately before the onsite session, and the posttest was sent at the completion of the online session, achieving a 100% response rate.

**Table 2** Overview of Participants in the Three Steps

Participant Role	Step 1 Interview & Needs Assessment	Years at Company in Phase 1	Step 2 Design & Develop Training program	Step 3 Training Program Testing	Gender (Male: Female)
Directors	4	16-30	-	-	4:0
Managers	6	15-31	-	42	4:2, 29:13
Junior Managers	5	5-30	-	-	1:4
Technicians	3	7-30	-	-	0:3
Operators	3	24-32	-	-	0:3
Project Team	-	-	3	-	1:2
Researchers	-	-	2	-	0:2

**Table 3** Group Cohesiveness Scale (Adapted from Wongpakaran et al., 2013, p. 60)

Item	Dimension
1. I feel accepted by the group.	Cohesiveness
2. In my group we trust each other.	Cohesiveness
3. The members like and care about each other.	Engagement
4. The members try to understand why they do the things they do; try to reason it out.	Engagement
5. The members feel a sense of participation.	Engagement
6. The members appear to do things the way they think will be acceptable to the group.	Engagement
7. The members reveal sensitive personal information or feelings.	Engagement

## 6. Data Analysis

All of the transcripts from the interviews in phase 1, along with field notes, documents, and strategic conversations were analyzed using holistic coding, followed by a thematic process based on the study's exploratory nature (Saldaña, 2013). First, the authors conducted an overview of transcripts from individuals and focus group interviews, and descriptions of field notes, documents, and strategic conversation to create descriptive coding.

Second, the authors categorized the coding data into subthemes. Third, the authors analyzed through reflection on those subthemes into key themes. The authors then sent the results to the company project team to review each stratum group and overall data.

A series of discussions (three meetings and several personal conversations) with the company project team finalized the key themes. To ensure trustworthiness and accuracy, the authors used several methods: company member checking to verify subthemes, key themes, development needs, and training contents; triangulation using different sources-semi-structured interviews, fieldwork materials, and strategic conversations (Glesne, 2016)-to compare and confirm the data; the researcher's background in the tech industry to analyze and reflect on the theming process; and research design strategies to maintain ongoing observation through engaging conversations with the project team (Anderson,

2017). The GCS data set in phase 3 was analyzed using dependent t-test (paired sample statistic) to compare the pretest and posttest results.

## Results

### 1. Skills Development for Coping with Cross-border M&As in Post-integration Phase

The subthemes, key themes, and the needs for skill development in the subcultural interactions in the M&A emerged from the interview data collected in Step 1. Table 4 shows 11 subthemes with example quotes, 4 key themes with corresponding intergroup relationships factors, and 6 development needs for employees.

Four key themes were identified. First, employees who had experienced different working periods in the company had different perceptions of the company regarding organizational cultures and business crises (e.g., demand drop, market change). Second, the policies, processes, roles, and responsibilities kept changing with restructuring for every merger and acquisition; thus, there was difficulty communicating the common goals of the team and creating a collective working style. Each team had its own goal, and it was difficult to communicate and work collaboratively with other teams. Third, the work processes between departments kept changing across several M&As. This

**Table 4** Quotes, Sub-themes, Key Themes, and Developmental Needs in Subcultural Interactions in M&A

Example Quotes	Sub-themes	Key Themes	Intergroup Relationships Factors	Development Needs
“In the earlier decades, we had an excellent culture that emphasized respect for people. It made us feel like this was our second home. But after several M&A, it has become too much of a task-oriented culture.” (Junior Manager#15)	Task vs. people-oriented cultures	Different periods, different perceptions	Individuation	• Understanding organizational history and changes
“Our motivation keeps reducing from every acquisition. We had a reward system and good programs such as people development programs and career paths. Let's learn the good things from history. But for today, these motivating approaches are gone.” (Junior Manager#14)	Learning from history			
“The lesson learned from several past M&As for me is that our factory is a best choice for investors. Even though we have reached 30 years, I want to see another 40 and 50 years in order to continue operating the company and to provide jobs for the next generations.” (Director#1)	Being a factory of choice			
“When my employees moved to other departments because of restructuring, I usually encouraged them to learn new things. I also just moved to take this new role. I want my current team to understand that I want to support them rather than control them.” (Director#3)	Change in roles and responsibilities	Following procedures vs. following purposes	Group categorization	• Perception alignment of roles and responsibilities • Understanding common goals and collective work behaviors
“I think sometimes we should consider the current situation because the previous procedures may not be workable. To achieve our common goals, we need to respond to the situations we currently face.” (Director#3)	Focusing on the present situation rather than adhering to past protocols			
“We feel this company is our second home. We don't want to move because we have a lot of friends, sisters, and brothers here.” (Manager#7, Technician#18, Operator#20)	A second home (a sense of family)	Unhealthy relationships		
“If I call the responsible person directly, my job is done in a timely way. Thus, I usually have the personal contacts to ensure that they will support my request.” (Junior Manager#12)	Using personal connections (exploiting personal connections)		Individuation	• Relationship management within and across teams
“Even though the individual's character is a key factor that helps employees from different departments to be willing to work together, I believe that a good culture can cultivate the right mindset.” (Director#1)	Mindset and individual characteristics (not in line with the organizational culture)			

**Table 4** Quotes, Sub-themes, Key Themes, and Developmental Needs in Subcultural Interactions in M&A

Example Quotes	Sub-themes	Key Themes	Intergroup Relationships Factors	Development Needs
"Our organizational structure is very lean now after several M&As because of restructuring and lay-off events. So, all departments are overwhelmed with a big workload from the integration processes, both in terms of common and functional program deployment." (Director#2)	Lean structure and workload (reflects no resources planning)	Alignment of a plan-priority-partnership	Group categorization	• Communication for creating connections and collaboration across teams • Conflict management
"I'm still confused about the goals because our department has a supporting function; we have to support many goals from all departments. In general, we have to improve quality, productivity, speed, and technology, and reduce costs." (Director#4)	Lack of common goals and linkages (leads to different priorities among departments)			
"My job needs collaboration from many departments. For example, when we got new customer demand, we have to communicate to several teams to ensure that we have enough capabilities. The difficulty is that sometimes the roles conflict, creating unpredicted problems." (Junior Manager#13)	Role conflict (from restructuring and unclear responsibilities)			

caused confusion among the employees, especially those who had longer work tenure. Further, collaboration took place more from personal connections than from official processes. The majority of participants viewed the changes as confusing with unsystematic work processes that relied on personal connections across the departments. Last, challenges occurred because of a lack of alignment among departments, a key obstacle to achieving tasks and developing long-term relationships. Alignment of plan and priority among the departments is necessary for better collaboration as partners, that was currently lacking because of different departmental goals and processes.

## 2. Training Program as a Learning Intervention in M&As Post-integration Phase

The training program was implemented and tested as a learning and development tool for 42 managers to improve skills and perceived relationships among employees of the subcultures. Table 5 shows the raw means of the instrument after the training (4.26;

SD= .45), which was higher than before training (3.32; SD= .49); the cohesiveness means improved from 3.48 to 4.33, and the engagement means improved from 3.26 to 4.23. The means comparison between before and after the training were all significant (p=.00). The group cohesiveness is improved after attending the training.

## Discussion

M&As are classified as a dramatic change in organizations, especially cross-border M&As (Caiazza & Volpe, 2015). Subcultural interaction in an organization has long-term influence on the integration of organizational cultures in the post-acquisition phase (van Marrewijk, 2016). The change and transition from old to new situations are difficult regarding processes of letting go of suffering and confusion and differences of observers' perceptions (Bridges & Bridges, 2019). The evidence from this study provided new perspectives for cross-border M&A integration.

**Table 5** Group Cohesiveness Results, Pretest-Posttest for the Training Program Implementation

Dimension	Item	Pretest		Posttest	
		M	SD	M	SD
Cohesiveness	1. I feel accepted by the group.	3.48	.67	4.29	.60
Cohesiveness	2. In my group we trust each other.	3.48	.67	4.38	.62
Total		3.48	.57	4.33	.51
Engagement	3. The members like and care about each other.	3.31	.75	4.29	.60
Engagement	4. The members try to understand why they do the things they do; try to reason it out.	3.50	.63	4.29	.67
Engagement	5. The members feel a sense of participation.	3.40	.63	4.36	.53
Engagement	6. The members appear to do things the way they think will be acceptable to the group.	3.26	.70	4.21	.56
Engagement	7. The members reveal sensitive personal information or feelings.	2.83	.85	4.00	.62
Total		3.26	.53	4.23	.46
Overall		3.32	.49	4.26	.45

p = .00

## 1. Implications for Theory

Our findings reflect changing dynamics in a cross-border M&A organization related to subcultural and employee interactions. First, the four key themes in Table 4 emphasize Stangor's (2016) two factors of intergroup relationships (individuation and group categorization). The first theme (different periods, different perceptions) and third theme (unhealthy relationships) relates to individuation that every employee has as one's perceptions of the M&A events and personal connection to others in the company. Therefore, employees tend to use personal relationships to get their jobs done rather than official work processes that keep changing during M&A integration. Consequently, there is a fusion of personal and work conflicts. Meanwhile, the second theme (following procedures vs. following purposes) and the fourth theme (alignment of a plan-priority-partnership) relate to group categorization as employees are categorized into departmental groups based on their roles and responsibilities. Hence, employees are labeled as other departmental groups with prejudices that obstruct cooperation, thus hindering work priorities. Further, this group categorization may accelerate their conflicts regarding differences in subcultural identity (Hall et al., 2018).

Second, six development needs in Table 4 support the key themes: (1) understanding organizational history and changes; (2) perception alignment of roles and responsibilities; (3) understanding common goals and collective work behaviors; (4) relationship management within and across teams; (5) communication for creating connections and collaboration across teams; and (6) conflict management. These needs help to bridge the gap of employees' perceptions regarding differences of experiences in M&As and manage multicultural groups' identity in an organization according to the concept of a cultural island through dialogue process (Hall et al., 2018; Schein, 2017). Additionally, social identity theory has suggested how to manage interactions among sub-identities through autonomy-supportive interaction in helping people integrate into the new organizational setting (Hogg et al., 2017) through Schein's (2017) model—artifacts, espoused beliefs and values, and basic underlying assumptions.

Last, the posttest results of training implementation confirm that the indigenous training program effectively changed people's mindsets and helped prepare them for working across company subcultures. This training program was developed from

participants' direct experiences by using a rapid prototyping model by Tripp and Bichelmeyer (Dong, 2021) that offers high flexibility and ongoing alignment during the instructional design process. Therefore, self-directed and transformative learning theories were applied effectively through their sharing of experiences, exchanging of information, and socializing in the same context (Dyke, 2017; Merriam, 2017).

## 2. Implications for HRD Practice

First, our evidence offers ideas for HRD professionals and management teams who have to deal with employees' concerns in the organization's post-acquisition phase. Table 4 shows the employees' concerns at individual and group levels, such as quality of personal and group relationships (Stangor, 2016; Yildiz, 2016), subcultural and role conflicts (Hall et al., 2018; Schein, 2017), and management development needs for group leaders (Tarba et al., 2019). Interviewing is a helpful tool to explore insights into the people dimension, leading to specific development needs.

Second, the training program demonstrated how to handle people integration to improve perceived relationships among employees of the subcultures. It also helps to reduce employee resistance when the post-acquisition phase begins (Dringoli, 2016; Mark & Mirvis, 2016). The posttest results emphasize the need for a learning intervention in M&A integration (Vasilaki et al., 2016). Moreover, the interview sessions at all levels of the organization demonstrated how management and HRD teams create employee involvement in the instructional design process. This involvement is part of the learning processes for adults through experiential exchange (Dyke, 2017) during interviews, providing management support for training implementation.

Last, the vast changes in global M&A trends, with the highest occurring in 2021, suddenly declining in 2022 (Broughton, 2022), reflect the urgency for HRD professionals to improve their skills for coping with dramatic changes in handling the concerns of employees and organizations when the M&A trend bounces back. Specifically, the skill of developing indigenous HRD interventions that timely fit the situation and organizational context is vital for dealing with unexpected changes.

## 3. Limitations and Recommendations for Future Research

First, this training program involved a limited number of participants, purposefully selected at the managerial level. The authors recommend that this

training program be replicated and applied in other M&A organizations and in other industries in order to obtain generalizability in Thailand (Creswell & Creswell, 2018). Further, training across all hierarchical levels might have an even greater impact.

Second, the exploratory sequential mixed methods provided in-depth and contextual findings but may have limitations in terms of generalizability. However, this platform is helpful for HRD professionals to customize their research design. Initially, the authors discussed with the company project team obtaining a control group for an experimental design. However, this proposal was turned down as the leaders viewed it as unfair to the employees incurring further issues within the organization. Future researchers, however, would find broader results if this study could be replicated with a control group.

Last, this training program was undertaken during a period of two months; however, a longer-term view is required as “culture is a slow-moving phenomenon” (Alvesson & Sveningsson, 2016, p. 189). Further, longitudinal studies to track progress at multiple levels in the organization are recommended for future research.

### Suggestion

M&A integration is a big challenge for leaders and HR professionals, particularly people dimension about subcultural issues and group conflicts in an organization. Empathizing employees’ emotions and concerns demonstrates that leaders understand and care about them during confusing periods. Furthermore, leaders have expected HR professionals to facilitate organizational change and transition processes. Therefore, contextually designing the learning interventions and development tools effectively enhances employee transition through those changes.

Last but not least, subcultures naturally emerge in an organization from different functional departments. It is unavoidable. Hence, leaders and HR professionals need to keep in mind that embracing the diversity of employees from all areas is a way to enhance their engagement and sense of belonging. Utilizing that diversity to generate innovations for organizations is a creative coping strategy.

### Conclusion

Skills development allows people to deal with emotional repercussions and subcultures in a

cross-border M&A and is vital for leaders, managers, and employees. The authors examined relationships among subcultures (i.e., departments) and designed indigenous learning interventions for a company that had been through multiple acquisitions to mitigate tension and facilitate the transition using the group cohesiveness scale measurement. Our results emphasize the importance of implementing an indigenous training program for managers during the post- acquisition phase to improve perceived relationships among employees of the subcultures in a transforming organization.

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