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"Integration" – a polyphonic concept in merging companies

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Abstract

In this study a new method for researching the qualitative differences in meaning making of a concept is introduced to clarify how managers in two merger cases differ in the way they make sense of the ongoing process. A discursive perspective is used to focus on the social construction of the meaning of "integration," a concept frequently used and often taken for granted in national and international post merger and post acquisitions studies. This general problem, how we understand and interpret a word, the concept "integration," has been studied in the context of two Scandinavian acquisitions. The claim is that several language forms can be used to express the same meaning of a concept as well as the same words can be used to express differing meanings, depending on the actors understanding of the words. The findings illuminate the qualitative differences among managers' ways of making sense of this concept in four categories of description. It can be argued that the variation in understandings on the one hand is related to the referential aspects, the meaning aspect, and on the other hand to the structural aspects of the concept.

Keywords: mergers, acquisitions, integration processes, variation theory

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Introduction

In social science, organization and management literature, there has been an increasing interest in the social construction of communication and in the use of language in social practices. Cultural and language differences related to change processes are produced, reproduced and continually changed by the actors in the course of social interaction (Olie 1990; Giddens 1991; 1992; Czarniawska 1998; Schneider and Barsoux 1997; Holden 2002).

Organizational integration and change processes are important vehicles for organizational growth (Olie 1990) not only in the on-going merger and acquisition period but also in the subsequent period, called here the post-merger and the post-acquisition period. For years, researchers have stressed the significance of the post-merger and post-acquisition period, which may seem self-evident in the perspective of synergetic benefits, productivity and expansions in new markets (Kitching 1967; Olie 1990; Søderberg and Vaara 2003). Some researchers have investigated post-merger organizational integration processes from a rationalistic perspective, stressing strategies and decision making procedures as keys to understanding the effects and the social construction of organizational integration (Kitching 1967; Shrivastava 1986; Haspeslagh and Jamison 1991; Larsson and Lubatkin 2000).

The problem

This study focuses on the managers´ way of explaining the meaning of the concept "integration" in two acquisitions. "Integration" is often used to indicate "forming separate parts to a totality" (Webster's 1993:1174). As a concept, integration is frequently used and often taken for granted in the context of the studies of mergers and acquisitions. How can we explain our way of making sense of a concept? The fact is that several language forms can be used to express the same meaning of a concept and the same words can be used to express differing meanings, depending on the actors' understanding of the words. The claim is that the two languages contexts, such as the acquirer's and the acquired company's (a and b model, Figure 1 below),

can cause differing degrees of communication problems and misunderstandings between actors depending on the actors' individual understandings of different concepts (Drew and Heritage 1992; Shotter 1993; 1995). These are reasons important for investigating the meaning of the concept "integration" and to find out if it is a polyphonous (Bachtin 1984) concept and if it has differing meanings for managers and representatives for middle-management and employees.

The aim of the study is to investigate managers' differing understandings and apprehensions of the concept "integration" and the qualitative differences in the managers´ way of experiencing the meaning and their ways of making sense of the concept "integration" in two acquisitions. The main contribution of the study is the introduction of a new method for analyzing the meaning of the concept "integration." It does not appear that this method has been used in organization change studies or in mergers and acquisitions. Secondly, the study also investigates the qualitative differences in the meaning of the concept "integration" among managers in the two Scandinavian acquisitions.

The paper has the following structure. The paper begins by introducing briefly some examples of different integration "approaches" in mergers and acquisitions. "Integration" is used to explain the acquirer's demand of the acquired company "to fit" into an existing organization culture as well as into a language context. Since the focus is on meaning making and understanding of a specific concept, the claim is that if two language contexts are expected to merge, differing degrees of communication problems and misunderstandings between actors, depending on the actors' individually understandings of concepts, may arise. In the next section, a discursive perspective is introduced to underpin the social construction of meaning making in communication and dialogues between actors. Then the research design, the empirical data and the method of analysis are presented. The variation theory, grounded in the phenomenographic research (Marton 1981; 1994), is used as a conceptual method to explore the managers´ meaning making of the concept "integration." Finally, the results are discussed and conclusions are drawn.

"Integration" – of what?

Research on organization change processes addresses general issues of transformation of practices and knowledge (Hutchins 1995; Nonaka and Takeuchi 1995) as well as historical aspects of the past, the present and the future of the enterprises as reasons for development and shaping a new organization culture (Fear 2001). Approaches to organization culture and performance have been subjects for many researchers as studies of national cultural features (Nahavendi and Malekzadeh 1988; Hofstede 1998;), as cross-border case studies (Czarniawska 1998; Czarniawska and Sköldberg 2003; Vaara 2002) and as post-merger and post-acquisitions studies (Kitching 1967; Very et al. 1997). Language and communication are inadequately addressed in these studies.

Researchers on organizational change processes have studied integration as *knowledge transfer processes* (Czarniawska 2001; Kreiner and Mouritsen 2003; Vaara et al. 2003 a), as *social integration of culture and transfer of values* (Nahavendi and Malakzadeh 1988; Cartwright and Cooper 1992: Vaara et al. 2003 b), and as the generator of *financial and synergetic benefits* (Shrivastava 1986; Larsson 1990; Larsson and Lubatkin 2000). Some scholars have investigated different integration strategies, constraints and obstacles to integration (Haspeslagh and Jemison 1991). Others in this field have focused on acculturation (Nahavandi and Malekzadeh 1988; Kleppestö 1993; Gertsen et al. 1998; Vaara 2002). Discursive elements such as metaphors in mergers and acquisitions have been investigated in the field of organization change processes (Lövstedt 2001; Wood 2001; Hellgren et al. 2002; Hellgren and Lövstedt 2001; Vaara et al. 2003 b).

The results of these studies indicate in general the complexity of organization strategies, organization integration processes and the ambiguity of the concept "integration" in particular. When researchers make efforts to explain the meaning of the concept "integration," words like "adaptation" and "interaction" are used to describe change processes between two cultures often dominated by the acquirer. Nahavendi and Malekzadeh (1988:82) argue that "integration leads to some degree of change in both groups´ cultures and practices". Integration is then aiming at coexistence in a multicultural setting where the actors have to tolerate differences.

Unfortunately, the meaning of the concept "integration" seems to be taken for granted in several studies while some studies contribute to and reinforce the ambiguity of the concept. However, the literature on mergers and acquisitions, as well as literature on organization change processes, has been dominated by a normative rationalistic perspective on integration, which unfortunately has given limited space to other perspectives and has often resulted in a simplified picture of integration processes. Studies, applying a social constructionist perspective, which challenge this established perspective, argue that change and integration processes are regarded as socially situated and constructed (Czarniawska and Sköldberg 2003; Jönsson 2003; Risberg et al. 2003; Hellgren and Lövstedt 2001; Lövstedt 2001; Vaara 2002; Vaara et al. 2003a and b).

A discursive perspective

There is a myth which assumes that there are no differences in the meaning of a word or a concept in a Swedish-Norwegian and in a Swedish–Danish language context, even if slightly different words are used. This myth exists in the daily life of Scandinavian people, and also among some representatives of Scandinavian companies. The real problem is why there are differences in meaning do exist when it is assumed that no such differences exist; this problem is especially suitable to study cross-border mergers and acquisitions in Scandinavia.

What is a concept? In a dynamic perspective on conceptualism, concepts are regarded as entities constructed by us in order to understand the reality around us and to simplify complex and dynamic information for static mental entities, as a way of compressing and simplifying information. Allwood (1989) argues that there is a danger in compressing information because we not only reify, making the information more lucid and easier to grasp, but we also abstract. Concepts become abstract objects carrying relations and qualities. "Concept formation" is characterized by actions such as "information compression," creation of non-dynamic static entities, reifying activity, capacity for abstraction and non-relativism. This form of realism, inspired by Plato, regards concepts as "static abstract objects having only essential qualities" (Allwood 1989:11). Words are abstract entities and their meanings are contextually bound (Linell, 1998) in discourse (Putnam and Fairhurst, 2001). In a socio-cultural perspective, discourse analysis is a concern of real life

contexts where communication and language play vital roles in social practices. The meaning of words, concepts and contexts is constructed by actors in "language games" (Wittgenstein 1997). In this study, the problem is to merge two different "language contexts" to one. There are at least three solutions; a. two language contexts have to partly merge, and b. two language contexts can remain as they are, but limit the mixed language contexts to a restricted number of functional projects. The third possibility is that the two companies develop a new language context, which must be in an extremely specific merger.

Figure 1. Language contexts: a. joint context area and b. two separate contexts.
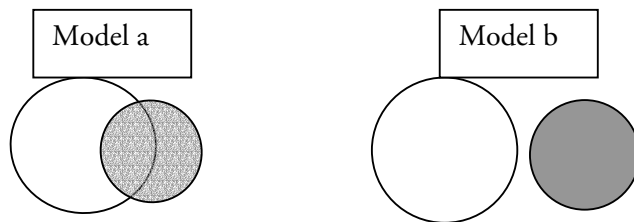
In case a, language contexts are partly merged and the joint area represents a joint discourse practice. In case b, the acquiring business and the acquired business worked before the acquisition in two different language contexts denoting two different "discursive practices." In the third case, two language contexts develop a "new" discourse practice, which must be a unique case of merger. After the acquisition, each of them keeps its original discourse practice, which doesn't exclude the possibility that the discourses can merge in specific areas of activity or in specific projects. The point of departure for discussing the consequences of these three alternatives will come from the empirical evidence of the two acquisitions.

There is a growing awareness of the importance of effective communication in post-modern society and in organizational studies of mergers and acquisitions. Language is one of the most important tools of many professions. In a socio-cultural perspective, it is difficult to separate the situated embeddedness of communication and language in organizations. Culturally conditioned data are in this perspective regarded as "social constructs," constituted when actors make sense of a social practice (Bruner 1990; Fairclough 1992; Giddens 1991; 1992; Shotter 1993; 1995; Edwards 1997; Wertsch 1991; 1998; Säljö, 2000). However, proponents of this research tradition

make different ontological and epistemological assumptions (Lave and Wenger, 1991; Chaiklin and Lave 1993) as well as different theoretical assumptions grounded in phenomenology (Husserl 1973), Vygotsky´s psychology (Vygotsky 1981; Wertsch 1985; 1991) and the Soviet Cultural Activity Theory (Engeström, 1990).

The socio-cultural and dialogical perspective considers language and discursive practices as fundamental for human cognition (Vygotsky, 1986; Wertsch 1991; 1998). Language is seen as a mediating tool. Discursive practices affect our way of using the language, talking and developing different forms of thought and making sense of the reality we live in (Linell, 1998; Shotter, 1993; 1995). Language in general can be studied either as system and structure or as discourse, praxis or communication (Linell, 1998). Giving priority to the first interpretation, we talk about a formalistic paradigm, and if priority is given to the latter, a functional paradigm is chosen. In a functional language perspective, we construct and reconstruct new conditions and new prerequisites for future acts through communication, dialogue and talk-in-interaction. In a formalistic language perspective, linguistic approaches focus on the grammatical structure and the frequency of the regularity of natural languages.

In a functional language perspective, a fundamental feature of talk-in-interaction is "the giving and receiving of accounts," i.e., "a statement made by a social actor to explain unanticipated or untoward behavior whether that behavior is his own or that of others, and whether the proximate cause for the statement arises from the actor himself or from someone else" (Scott and Lyman 1968: 46). In social situations, accounts are used to explain intentions, to defend an opinion or to reject an action. Talk is used to revaluate the pejorative significance of an action, or one's responsibility for it, and thereby transform others´ negative evolutions. "This *transformative function* is the most distinctive feature of accounts as a *discursive practice*" (Butny 1993:1). The conduct of people can fail in various ways. The severity of these failures will have differing implications for the accountability of the persons involved. Language as discourse is a functionalistic perspective on our communicative and cognitive practices, which means language as constitutive and constructive of our ways of acting, i.e., discourses-in- action (Linell 1998). In this discursive perspective, discourse is regarded as a social practice, implying a dialectical relationship between an event, the situation and the social structure which frames it.

A dialectical relationship means that "the discursive event is shaped by situations, institutions and social structures, but it also shapes them" (Fairclough and Wodak 1998:258). This perspective is an alternative to the rationalistic perspective and aims at getting a deeper understanding of the complex change processes in complex organization contexts (Hellgren and Lövstedt 2001; Lövstedt 2001; Wood 2001). However, discourse analysis is not an objective social science but a form of intervention in social practice and social relationships, inherently tied to politics and formulation of policies (Foucault 1989).

Empirical evidences

Case 1: Sweden - Norway

Swedish participants
The Swedish entity is a division of a multinational company operating in advanced technology and production. In the study, the Swedish business is the "buyer" in the acquisition of the Norwegian business. In March 1999, when the acquisition took place, the Swedish company had about 4 500 employees. The acquisition had several objectives such as enlarging the market share by acquisition of a potential competitor, avoiding overlapping in products, and gaining access to new markets. The 28 interviews with the CEO (chief executive officer), the business area manager, representatives from the top and middle managers and three representatives from the labor unions were made in November and December 2001 by the four researchers of the INNOM-research program (see Acknowledgement).

Norwegian participants
The Norwegian entity, a partly Governmental-owned company, with roots in the technological production of 19th century, is today a national business in advanced technology and production. This business had about 500 employees in March 1999 when the acquisition took place. The acquisition was positively perceived by the acquired business due to economic factors and the strong competition on the world market. The 8 interviews with the COE, five representatives from the middle management and two from the labour unions were made in the beginning of autumn 2001 by researchers from the Graduate School of Business at Bodö, Norway.

Case 2: Sweden - Denmark

Swedish participants

In December 1999 the Government-owned Swedish company bought the privately-owned Danish company, which was one of several acquisitions consistent with its vision of developing the business to be one of the largest actors in the world. The Swedish company was a well established company which had about 2,500 employees in December 1999, when the acquisition took place. The objective of the acquiring business was to expand on the international market and to become one of the ten important international players. The 17 interviews with the CEO, representatives from the top and middle management and two from the labor unions were conducted during the spring 2002 by the researchers of the INNOM-research program.

Danish participants

The Danish entity was a nationally well-known private business, bought by a Swedish company in which the Swedish Government was the main stockholder. The acquisition took place in December 1999. The Danish company had at that time about 1,200 employees. The acquisition was positively perceived by the acquired business due to economic and financial problems during recent years. The 10 interviews with the CEO and representatives from the top and middle management, were made during March to June 2002 by a researcher from the Faculty of Economics at Aarhus University, Denmark, and a Danish, native speaking researcher, a member of the INNOM-research program.

Interviews

The 63 interviews, 36 in Case 1 (28 Swedish and 8 Norwegian) and 27 in Case 2 (17 Swedish and 10 Danish), reflect the different experiences of the participants represented in the two multi-national acquisitions (Case 1 in March 1999 and Case 2 in December 1999). Their experiences and their way of making sense of this concept are mirrored in the answers to a question included in 60 of the interviews, namely *"What is the meaning of the concept 'integration' for you?"*

A general opinion about the Nordic languages is that they are rather similar, except for the languages of Finland and Island. In both cases, there was a wish to avoid language problems in the interviews. During the interviews, there was a wish to avoid giving the interviewees the impression that the interviews were conducted on behalf of the Swedish companies. A further reason was that interview situation involves "communicative complexities and make[s] cognitive, and rhetorical demands on participants that are quite atypical" when compared with what they [Norwegians and Danish people] are "used to in their ordinary contacts with native speakers" (Gumperz, 1992, p. 303).

The semi-structured interviews were prepared to deal with several problem areas (themes) (Kvale 1996; Czarniawska 2002; Warren 2002). Each area was developed during the interviews depending on the interviewees´ answers. A template was made since several interviewers were involved in conducting the interviews. The interviews were conducted in working places of the plants and lasted between 30-80 minutes. All of them were audio recorded and later transcribed. The transcribed text formed the basis for the qualitative microanalysis of the concept "integration."

Variation theory

The phenomenographic research has through 30 years of research developed from methodological to theoretical problems. The name derives from two Greek words, "phainemenon" which means *appearance* and "graphein" which means *description*. This research concerns the description of objects (phenomena) and how they appear to us. The object of the research is the *variation* in ways of experiencing the phenomenon. The variation theory reveals the possibility of further exploring "the differences of the experiences" of a phenomenon. The critical aspects which are discerned and focused on simultaneously characterize the specific way of experiencing the object. The variation theory takes the dynamic structure of the awareness as a premise which is related to the ability of discernment, variation and simultaneity. The simultaneously discernment of aspects is due to our awareness of dimensions of variation. The meaning of a phenomenon is constituted through discernment of different aspects of the phenomenon constituted as a relation between the observer and the phenomenon. The meaning is a function of what the phenomenon is related to as well as the varying and the discerned aspects. Experiences of a phenomenon

concern *how* and *what* we experience, how and what we experience as the figure- and ground relation, and what we experience as being in the centre, the theme, and in the periphery, the thematic field of our awareness (Gurwitsch, 1964). Different subjects have different experiences of the same object, and the differences between various ways of experiencing the same object is dependent on which aspects of the object are discerned. This implies that the awareness has a dynamic character, i.e., the awareness is structurally differentiated (Gurwitsch 1964). Facts can be associated with the object and consequently with a theme and a context. An object can itself evoke certain thoughts, which can result in a theme related to a broader context. Drawing on the gestalt theory, the gestalt is defined as a number of parts which each support and determine one another, where the parts comprise a whole (gestalt) identified from its context. A way of experiencing something is related to how one's awareness is structured, as it contains a structural aspect (structure) and a referential (meaning) aspect (Marton and Booth 1997:87).

The variation experienced is described by the researcher and consists of the critical aspects of the specific object (phenomenon) which are experienced by the interviewees (Marton, 1981; 1994; Pang and Marton, 2003). In the present study, the object is the concept "integration" and the manager's way of experiencing the meaning of the concept. The aim of the analysis is to reveal the qualitative differences of the experiences of the object among the group of interviewees. The researcher defines a system of categories of description grounded in the analysis of the answers. Each category focuses on a specific aspect of the concept "integration." The categories of description are most often hierarchically related and make up a conception, which is the group's experienced meaning of the concept "integration." It is important to distinguish between conceptions and concepts. *What is taken to be characteristic of a concept is its abstractness and generality of meaning. In contrast, a conception is taken fundamentally to concern the experienced meaning of [the concept] one specific part of the surrounding world* (Svensson, 1989: 531).

The analysis
The data for the analysis consists of the interviewees' answers to the question: *"What is the meaning of the concept 'integration' for you?"* All answers in the 63 interviews are

analysed. The researcher focuses on the interviewees' way of describing the meaning of the concept "integration" in the embedded context of the two post-acquisitions.

The answers to the specific question are read several times during the analysis by the researcher. An important point of departure for the analysis is that no answer is better than another and there are neither preferred answers nor right or wrong answers. The differences between the answers are analyzed to reveal qualitative differences in the experiences of the concept "integration." Finally, the answers are categorized in categories of description. The different categories of description reveal the different aspects of the concept "integration," experienced and explained by the interviewees. These categories have to be distinct and have to reveal qualitative differences in the content of the experiences. The categories are not allowed to be overlapping, but have to be logically related to each other in a totality, often a hierarchy, comprising the interviewees' qualitatively different ways of experiencing the concept "integration."

Results

In Case 1, the same categories were found among the Swedish and the Norwegian participants. In Case 2, two different subsets of categories of description were detected. The discovered categories of description are related hierarchically, which means that the most genuine and holistic answers are in Category 1. The hierarchy as such is the unique result of the analysis, although 'hierarchy' has to be understood as the structural aspect of the conception. It is important to notice that Categories below 1 are all included in Category 1.

Categories of description
The following categories of description and the quotes are selected to illustrate the apprehension and the meaning the interviewees give to the question stated above. The following conception includes the Swedish as well as the Norwegian interviewees. Each excerpt represents the answer from one individual. Due to demands of anonymity, no names are given, just a code for the individual. The number of quotes has deliberately been reduced to two per category of description due to space restrictions.

Case 1: Sweden – Norway (28 Swedish and 8 Norwegian interviewees)

Category 1   Joint objectives and values

> it is to share values, to have the same values…I think it is difficult to integrate something if you don't share values … I mean work together and then I don't mean only that you experience working with the same issues but you are working for a common objective and that you make use of the effect of synergy which is there or not - values are what are important when you try to have a decent and joint scale of values, or how do you express it, well, a joint corporate culture (0J1M)

> when we are working for a joint matter [business] and then we have gone far in the integration and when you take part in decision making process and take decisions in a certain direction which don't even support your business but support the whole […] I think that when it looks like we are one unit, even if we are geographically in two different places, then it has to be that which is integration (0V1E)

In Category 1, the "value" aspect of the concept "integration" is focused, the ground of shared values. This implies the importance of having a shared ground of joint objectives and values, i.e., ethical, moral and economic values. Schneider and Barsoux (1997:27) refer to managers' way of talking about beliefs and values: "Beliefs are statements of fact, about the way things *are*. Values are preferred states about ways things *should be*, about ideals." It is a prerequisite to have joint rules of "how to play" on a management level, a level above concrete actions, in order to reach the set targets and to be able to think of the entire business in decisions-making processes.

Category 2   Added value

> integration means that one plus one is more than two […] it must always be something the acquisition adds to the buying business … in this case it was an overlapping in products plus the access to a new market (0N1A).

> when we talk the same language, when we start to implement the same culture, then we can ask … are we doing that in the best way and the most effective way (0C1G).

Category 2 focuses on the "added value" aspect of the concept "integration," which in this case is the main aspect of the acquisition, i.e., that something of value is added to the acquirer's company (ON1A). This meaning refers to the fact that an acquisition must bring some new values, added values. An acquisition often means expansion for the acquiring business, new products, new markets, competitive advantage and sometimes a change of image and actions due to the new alliance.

Category 3   United business

> an organization in practice and not only on paper but in reality and where you don't have any duplications (0B1F).

> joint participation and exchange and it is also about standardization and I know it is a enormously hard, difficult work which takes time … and I don't know if we are prepared to do that ((0D1K).

Category 3 focuses on the "unity" aspect of the concept "integration", meaning united company. This means exchange of knowledge between the units, a certain degree of standardization, rationalization and optimally used resources in order to be cost effective. Activities are arranged so that all in the new united business work towards the same objectives.

Category 4   Merge

> to integrate someone with someone … to be a part of a larger enterprise … I mean you have to integrate on all levels … for instance, if we have a way of working, a way of thinking […] to get the same in both places (…) you have to be humble (0S1B).

> for me … I mean it is togetherness … a part which is united with a larger… to get the feeling that we are working together […] together and do something which is good (0D1C).

The focused aspect in Category 4 is the "merger" aspect of the concept. The acquirer implies the acquisition is a way of expanding and becoming a stronger competitor in the global market. It can be argued that the business which has been bought has to 'subordinate itself to the buyer's conditions, even if there are possibilities for the acquired business to keep its own profile, under certain conditions.

Case 2: Sweden – Denmark (17 Swedish and 10 Danish interviewees)

The analysis resulted in two different subsets of categories of descriptions, one for each group of interviewees. Only Swedish interviewees are included in the following categories of descriptions. The Danish interviews resulted in seven answers to the stated question and these answers are accounted for separately (below).

Category 1   Joint objectives and values

> the most important thing in a company is to have the same values, the same, to have a joint objective and to be conscious about the content of the objective and how to work to achieve the objective ((0L2T).

> in my world, integration is about two things … exactly in this context … maybe three things … the first is to take charge of the economic synergy … that you find […] the second is the process of integration, it is to create a working climate and an administrative environment, which will make it possible to develop joint values (0F2C).

Category 1 focuses on the 'value-aspect' of the concept "integration," the ground of shared values. This category of description is similar to the first category in Case 1. These answers mirror the interviewees' consciousness that there is a common ground of values needed in an acquisition. On that ground, the business has built a vision and common objectives have been developed. These values constitute the conditions for how engagement, motivation, and enthusiasm can be transferred to the employees.

Category 2   Adjust opinions and create understandings

> to find a mutual understanding between people in different countries, .. you have different attitudes, you are different, you have different cultures … you have different conditions, and it is a question about adjustment and how to develop people … to a united common view […] at least so they are in agreement with how things function … that they understand each other (0L2J).

it is about joint areas and forms of cooperation actually … more than a question of melting two businesses to one … or merging the parts and keeping the identities … but still being able to find the least common denominator… these actions are important and we must cooperate and make advantages out of our cooperation […] create understanding[…] so you get an understanding of the entire company (0O2J).

The focused aspect in Category 2 is the development of joint "opinions and understandings" in business activities of the concept "integration." A prerequisite for a successful acquisition is the common understanding of joint objectives in business areas, joint functions such as logistics, marketing, and sales among all personnel.

Category 3   Joint working processes

> connect different business processes […] you can say affinity, advantages, synergies, if you will between different processes […] what can you do avoid to duplicate processes and how can you enhance the functioning of the company, to be better, faster and more effective (0A2U).

do the collaborators [the merging businesses] have an understanding of each others differences and […]that they try to solve the problems on their level […] that the

daily operations go on without interference from higher levels of the organization (0W2G).

In Category 3, the focused aspect is "joint production processes" of the concept "integration." Moreover, optimal use of resources is a necessity in order to find economic and synergetic advantages in order to gain new market shares.

Category 4   Merge

> you have to find the mutual points so one plus one become more than two […] I never believe that we will be a homogeneous unity … because we think different, we act differently and we have different prerequisites in different markets … still we have to find more a feeling of solidarity (0N2J).

> to be incorporated in something existing […] two becomes one…to become a part in something (0N2M).

The focused aspect in Category 4 is the "merge" aspect of the concept "integration". This means that the acquisition is a process balancing between structures of expanding, merging (synergies) and social integration, i.e., new possibilities are opened and incorporated for the employees in the acquiring business as well as the acquired business (Jönsson and Rovio-Johansson 2003).

Case 2   Denmark (10 interviewees and 7 answers to the stated question)

The seven answers display a consciousness of subordination; "you get some overarching defined frames [objectives and prerequisites] settled and that we become united within these frames, how to carry on the enterprise, how to do things (OP2H)." To be the acquired business means that you have to follow the given objectives and rules of the acquiring business; "we have joined a new family and to experience that as a new family, then we have to learn which family rules exist, the values as well, and we have to align ourselves because it is of no use that I go to the right and the family goes to the left (OH2S)." To develop joint values is also looked upon as a necessity, a common ground for existing together. At the same time there is a quest for autonomy; "How to fill these frames is a responsibility for the local management […] if you want to integrate activities in different units you have bought, you have to ensure that you have a competent management who can run the purchased business(0P2H)." The answers indicate that the employees are conscious of these facts, demands and expectations. They are expected to fulfil the conditions of the buyer. These focused aspects reflect the interviewees' consciousness of the organizational structure and the importance of alignment with the new acquirer.

These facts do not neglect the integrity of the employee. Although there is a sense of subordination, there are nevertheless positive aspects related to the acquisition conveyed in the answers. The answers allude to actions of knowledge transfer, enhanced competencies and improved working processes and conditions.

Summary

The analysis has focused on the interviewees´ different ways of experiencing and making sense of the concept "integration" (60 answers). The categories of description, each of which mirrors a specific focused aspect of the concept, are hierarchically related, which means that the first category includes the categories below; i.e., category 4 is included in category 3, 3 is included in three 2 and finally 2 is included in 1. The same categories of description which were found in Case 1 were also found in Case 2. Figure 2 shows the structural (vertical) and the referential (meaning) aspect (horizontal) of the concept "integration."

Figure 2. Structural and referential aspects of the concept "integration".

Structural aspect	Case 1- referential aspect	Case 2- referential aspect
Alignment of objectives and values (management level) *Case 1, Category 1* 1. Joint objectives and values *Case 2, Category 1* 1. Joint objectives and values	- share values - joint objectives - decision making for a joint company	- same values - joint objectives - content of objectives - find economic synergy - create working climate - develop joint values
Add value (functional level) *Case 1, Category 2 and 3* 2. Added value 3. United business *Case 2, Category 2* 2. Adjust opinions and create understandings	- one plus one is more than two - implement the same culture in the best and the most effective way - an organization in practice - joint participation and exchange - standardization	- working climate - merge cultures - adjustment - how to develop people - joint areas and forms of cooperation - understanding of the entire company
Merge (production level) *Case 1, Category 4* 4. Merge *Case 2, Category 3and 4* 3. Joint working processes 4. Merge	- integrate on all levels - ways of working and thinking, the same in both plants - togetherness - do something good	- advantages - synergies - avoid duplication of processes - solve problems on the level where they exist

The results of the analysis indicate the relatedness between these structural aspects as well as the referential aspects, although with minor differences between the two Cases. It can be argued in Case 1 (Sweden and Norway) and Case 2 (Sweden and Denmark), that the categories of description indicate a structure of differing meanings of the concept "integration," from a management level (Category 1, in both cases) to a production level (Category 4, in both cases). As mentioned earlier, there were no differences between the Swedish answers and the Norwegian answers, so the Norwegian answers are included in Case 1. In Case 2 the Danish answers could not be included due to a common aspect of subordination, which denoted both negative and positive aspects of the concept "integration." The aspect of subordination means, from the perspective of the acquired business, that it has to follow regulations and instructions in joint working processes, and to share objectives and values as an overarching aspect of all activities, when objectives, values and regulations are decided by the acquirer. Finally, the analysis revealed three important aspects of the concept "integration", i.e. 1. acceptance of joint objectives and values, 2. values added to existing values which has to be understood by all employees and 3. merge working processes on all levels in the organization.

Discussion

In order to interpret what the answers imply, it is necessary symbolically "to go behind the words," which means to see the "experience" as embedded and emanating from a discursive practice, in the specific context. It is surprising that the answers to this specific question from the Swedish and the Norwegian interviewees do not reflect any differences related either to the national cultures or to the businesses. The Norwegians express feelings of equality and recognition of opportunities to continue as an independent business in spite of the fact that they actually are owned by a Swedish company. One explanation can be the fact that the Swedish business owns only 78% of shares while 22% is owned by a foreign private company. In this case, the objective is to develop a joint (common) working process in a specific production area and to achieve financial and synergetic benefits. This fact gives the Norwegian business the opportunity to keep their "independent position" (Jönsson and Rovio-Johansson 2003) in the community and to remain an important player in the future development of the community and the nation.

Figure 3.   **Case 1**: The Swedish acquisition of the Norwegian company (model a).
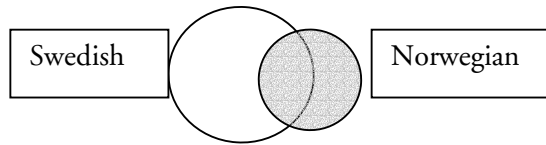

There were some constraints in the merging process, which were obvious when the interviews were conducted (about 2 years and 8 months after the acquisition). Specific projects aiming at merging production processes started after the acquisition, but were later interrupted due to reorganization of the management structure, not once but twice. Although, the language context in Case 1 seemed to merge too, not only because a few members of these projects understood the Norwegian language very well due to earlier experiences and contacts, but also in the projects they shared a professional discourse as technicians and engineers. Out of ten members (four women and six men) of the management group of the business area, six members (men) were engineers. Except for the manager of the business area and the CEO of the Norwegian company, four out of the six were promoted to managers on a functional level.

All members of the management group of the business area were interviewed as well as 18 employees from different levels and functions of the company. However, Figure 2 shows that the referential aspect (meaning aspect) and the structural aspect (structure) of the concept "integration" differ in meaning (Marton 1981). Specifically interesting to reflect on is the fact that this management team of the business area had the responsibility for the post acquisition processes in general and integration processes of the business area in particular. Obviously, there are several opportunities for misunderstandings in this management team depending on the joint restricted discursive practice which they developed, illustrated in Figure 3, and very likely on the lack of awareness of the different meanings possible to attribute to the concept "integration" (Bachtin 1984).

In Case 2, the Swedish company has a strategy of expansion and a vision of becoming an important actor on the international market within five to eight years, when the acquisition was realized in December 1999. The vision and the strategy of acquisition were well known by the Swedish employees since 1996. It seems obvious that the

acquired businesses have to understand the objectives and shared values in order to participate in joint activities. The targets are to be fulfilled through a set of specific joint working processes. In this case there was no need to find just one joint production process due to several production areas. Still, it was important to develop a unity. The subordination reflected in the Danish answers is unambiguous and probably due to different constraints which existed and affected this acquisition. One fact is that the Swedish business bought 100% of the Danish business and which was very satisfied to be bought by the Swedish business, since they were lacking resources to form a strategy of expansion on an international market. After the acquisition, the acquired company still had possibilities to select ways of working in some of the business areas. It is interesting that there are traces of subordination as well as traces of satisfaction exist in the answers to the specific interview question. This is probably, due to the fact that the Swedish company could increase the possibilities for knowledge transfer, better working conditions, better working environments, and also more international contacts and careers.

Figure 4.　　**Case 2**: The Swedish acquisition of the Danish company (model b).
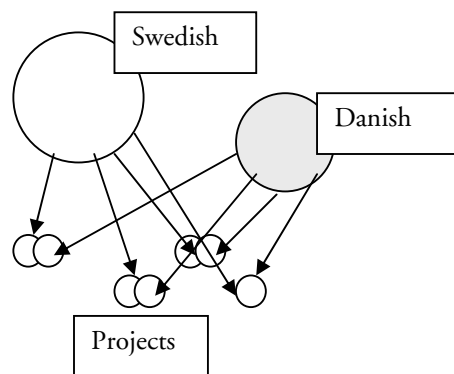
The discourse practices of the companies were not necessary to unite due to several different production processes and related trade marks in a perspective of internationalization. Nevertheless, immediately after the acquisition, the acquiring Swedish business started seven different joint projects, each representing a specific functional business area. The aims of each of these initial projects were to develop a joint integrated new functional area such as a joint information system, a joint economy ERP-system (ERP-Enterprise Resource Planning) and a joint system for quality assurance. These were some of the initial projects which later related to several

generations of the following projects. In each of the projects areas, an equal number of specialists from both businesses took part in developing the joint area.

The discursive practice in these specific areas has to be coordinated and merged in order to finish the project. It can be argued that in each of the projects, the members were functional specialists and their professional vocabulary and language formed the discursive practice, which enabled them to successfully work together and finish their project. It can also be argued that that the vision and objectives of internationalization were the driving force of the Swedish company. In such a case it was satisfying from a management perspective and from a discursive perspective to successfully accomplish these functional projects.

Both companies (Case1 1 and Case 2) exist in highly competitive global markets of increasing complexity. In the research literature on mergers and acquisitions, there is a common opinion about integration, namely that integration is a prerequisite for building competitive advantages which prominent scholars have shown (Nahavendi and Malekzedeh 1988; Czarniawska 1997; Czarniawska and Sköldberg 2003; Jönsson 2003). In the present acquisitions it can be argued, in Case 1 and Case 2 that those business specific competences in a longer perspective have to be merged to expand market shares in a competitive world market (Haspeslagh and Jamison 1991; Very et al. 1997; Gertsen et al. 1998; Vaara 2002; Vaara et al. 2003a and b).

Owing to the specific conditions of the two cases, the possibilities for generalisations are necessarily somewhat restricted. The outcomes are primarily attributed to circumstances and different constraints of each integration process existing in the two cases of acquisition. Among the limitations and constraints, it is important to mention that the interviews have been conducted by six different interviewers, which can be regarded on the one hand as strength since languages problems have been avoided when the interviews were made (Gumperz, 1992), and on the other hand as weakness since the interviews were accomplished by six different interviewers and their understanding of the interview template's questions can vary.

Conclusions

In summary, the results indicate that one specific interview question can mirror the variation in understanding among different management groups. The outcomes of the question about "integration" have been interpreted on the one hand as the interviewees' experiences and explanations of the concept "integration" in a specific framework, such as case1 and 2, and on the other hand as the accounts of the ongoing process of integration after two Scandinavian cases of acquisition, mirrored against the reality in the integration processes. The situated sociocultural perspective has been used to understand the qualitative differences in the participants´ experiences (Lave and Wenger 1991; Fairclough 1992; Schotter 1993; 1995; Linell 1998; Wertsch 1998; Säljö 2000).

This study has explored the importance of communication and language in post-mergers and post-acquisitions from a discursive perspective. First, the variation theory applied as a conceptual method of analysis opens a possible way to find differences in understanding of the concept in two cases. Thereby, the analysis reveals four different aspects of the concept "integration" in the answers of the top managers and middle managers as well as the representatives of the labor unions. "Integration" was understood and apprehended as 1. joint objectives and values, 2. added value, 3. united business and joint working processes and 4. merge. This knowledge can help to avoid misunderstandings between groups in a merger and an acquisition. Second, the analysis of the concept "integration" displayed a structural and a referential (meaning) dimension of the concept "integration," in the answers. This is also valuable knowledge when a group wants to be sure that they mean the same with the concept "integration" when they are talking about integration processes. Third, different language contexts can merge and develop a. partly joint language context, i.e., a subset of discursive practices, Case 1 (Figure 3, model a), when the objectives of the acquirer was to merge production processes and attain financial benefits. The main objective of the acquisition, in Case 2, was internationalization. The need for merging with the acquired company was related to specific activity areas. A joint discursive practice is possible to develop in specific project in order to work and finish the project, whereby the two language contexts remain more or less intact (Figure 4, model b). Four, further research needs to focus on the "change of the

meaning" of the concept "integration." The hypothesis is that the meaning of the concept will change, due to and related to how successful and prominent these acquisitions turn out to be in a time perspective of some five years.

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