How organizations face M&A processes

Dr Abraham (Abi) Moskovicz
School of Business Administration,
University of Haifa

Over the past two decades, Israeli companies raised just USD$10 billion on Wall Street, compared to the USD$380 billion that changed hands as part of M&As.
It is well known that for any organization it is decisive to set up a strategy to face the threats from competitors and from a quickly changing environment.
Acquirer companies that decide to engage in M&A can be motivated by several different objectives, while Startups were created from the beginning toward a successful exit as their main goal.
Up to date the impact of many variables on the success of M&A have been examined. Some of the variables are external to the companies, and are directly related to the type of industry, the market, or the legal frame. Others variables are internal, related to the management style, to the organizational culture, the manner of performance of processes, etc. This matter has not been investigated enough and requires a more detailed study, as argued by Haleblian (2009).

The literature suggests that the underlying motivation to merge is motivated by a series of rationales and drivers. Rationales consist of the higher-level reasoning that represents decision conditions under which a decision to merge could be made.
The Worldwide Business Evaluation Model for M&A, describes the criteria behind acquirer's firms decision-making process, trying to list all the variables involved, and estimating them according to their degree of impact in each case analyzed.
The objective of this presentation is to help potential target organizations to adapt themselves and to be duly prepared to face an eventual acquisition attempt.