Best practices integration during acquisitions–The roles of culture in knowledge sharing in cross-cultural acquisitions.

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DECLARATION

Statement of Originality
I hereby certify that the work embodied in this Dissertation Project is the result of original research and has not been submitted for a higher degree to any other University or Institution.

Signature: ________________________ Date: 4 Jul 2014
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SYNOPSIS

In a fast-changing and volatile business world, firms draw on dynamic capabilities to create, extend and modify their resources and capabilities in order to enhance their competitive position. Cross-cultural acquisitions are one of the corporate strategies for firms to grow across borders and to gain access to new bases of knowledge and capabilities. Management desires to integrate the best practices from both firms after acquisition. Best practices are considered to be the best operational capabilities in various organizational functions to operate a firm effectively and efficiently. Operational capabilities draw on organizational routines that embody knowledge. Through sensing opportunities, seizing identified opportunities and reconfiguring resources and capabilities, firms can systematically integrate best practices in operational capabilities from the acquiring and acquired firms.

Knowledge sharing within the context of the three dynamic capabilities processes affects the knowledge-based routines that make up operational capabilities. Hence, knowledge sharing is embedded in the three dynamic capabilities processes that enable the integration of best practices in operational capabilities. There are intensive interpersonal interactions during the knowledge sharing process. In a cross-cultural context, culture plays an important role in knowledge sharing and hence affects best operational capabilities integration. This dissertation endeavors to explore how and when culture makes a difference to the efficiency and effectiveness of knowledge sharing, a change which is visible in altered operational capabilities, during the sensing, seizing and reconfiguring processes.

The qualitative case study approach supports this empirical research by obtaining rich contextual data and insightful information from interviewees to better understand the cross-cultural micro-foundations underlying knowledge sharing for the integration of best practices in operational capabilities. Three cross-cultural acquisition cases of one multi-national corporation were purposefully selected to reflect certain features of different types of acquisitions. The empirical findings from this research show that different cultural dimensions exert different impacts with different degrees of strength on the efficiency and effectiveness of the knowledge sharing during the sensing, seizing and reconfiguring processes. This in turn affects the integration of best practices in
operational capabilities. This empirical research contributes practical insights. In particular, it suggests the introduction of structured processes to facilitate knowledge sharing for integration of best practices systematically; such structured processes should account for different cultural dimensions affecting knowledge sharing in different processes in cross-cultural acquisitions. On a scholarly level, this study opens up future research opportunities with new perspectives on the duality of ostensive and performative dynamic capabilities.