The effects of perceived cultural conflicts on employee retention after mergers and acquisitions

Chengpeng LUAN
Singapore Management University, cpluan.2017@sjdba.smu.edu.sg

THE EFFECTS OF PERCEIVED CULTURAL

CONFLICTS ON EMPLOYEE RETENTION

AFTER MERGERS AND ACQUISTIONS

LUAN CHENGPENG

SINGAPORE MANAGEMENT UNIVERSITY

2024

The Effects of Perceived Cultural Conflicts on Employee Retention After

Mergers and Acquisitions

Luan Chengpeng

Submitted to Lee Kong Chian School of Business

in partial fulfillment of the requirements for the Degree of

Doctor of Business Administration

Dissertation Committee:

Fu Fangjian (Chair)

Associate Professor of Finance

Singapore Management University

Lu lin (Co-supervisor)

Professor of Organization Management

Shanghai Jiao Tong University

Hu Zihan

Assistant Professor of Economics

Singapore Management University

SINGAPORE MANAGEMENT UNIVERSITY
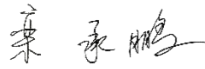
2024

I hereby declare that this dissertation is my original work and it has been written by me in its entirety.

I have duly acknowledged all the sources of information which have been used in this dissertation.

This dissertation has also not been submitted for any degree in any university previously.

Luan chengpeng

5 April 2024

The Effects of Perceived Cultural Conflicts on Employee Retention After
Mergers and Acquisitions
Luan Chengpeng

Abstract

With China's deepening medical reform, the state has introduced a series of regulatory   policies, which has set off a frenzy of mergers and acquisitions in the medical device industry. Small and medium-sized device distribution companies with small scale and weak strength have closed. Large and powerful large medical device distribution enterprises seize the opportunity to expand mergers and acquisitions rapidly.

Based on the researcher's work experience and data availability, this paper takes an MNC company, M, acquisition of a high-quality local company, K, as the research object. Based on the actual operation of the medical device industry, combined with the cultural characteristics of state-owned and private enterprises, the focus of cultural conflicts during the merger and purchase of private businesses by MNCs is the subject of this essay. Investigate methods for implementing cultural integration following the merger and purchase of medical equipment companies.

First, this essay provides a succinct overview of the two sides of the merger and acquisition debate, briefly describes the merger process and the generation of culture conflict phenomenon after the completion of the merger by classifying the conflict phenomenon to do variable design and preliminary questionnaire, and then do preliminary screening and testing of the collected questionnaires to form the final questionnaire, and then use SPSS 3.0 to analyze the collected questionnaire data. The influence of four aspects of cultural conflict on the intensity of conflict was studied. Through the data analysis, the focus culture conflict of M company's merger and acquisition of company K mainly focuses on the behavioral culture conflict. However, according to the cultural structure and mutual relationship, it can be seen that the behavioral culture conflict is inevitably behind the impact of institutional culture conflict and spiritual culture conflict.

After mergers, different cultural conflict factors have varying degrees of impact on talent retention. The cultural conflict factors affect the retention of

talent in various positions. Based on the results of the survey, we can see the following findings:

a.The years of service within the acquired company significantly influence turnover after the merger. Employees working longer in the acquired company are more inclined to leave after the merger.

b.There are significant differences in the turnover rates among employees in different positions. e.g., sales position.

c.After the merger, employees consider the opportunity for self-improvement in the company as a factor influencing turnover. The greater the perceived opportunity for self-improvement, the more likely employees will remain after the merger.

d.Employees consider the adequacy of the company's talent development mechanisms as a factor influencing turnover. The higher the evaluation of the development mechanisms, the more likely employees are to remain after the merger.

The innovation of this paper starts with the actual operation of MNC and domestic medical device enterprises, giving full consideration to the cultural characteristics between them. Secondly, cultural conflict and integration are ubiquitous in mergers and acquisitions but cannot be seen and touched. Third, talent retention is one of the critical determinants of post-M&As integration success. This paper uses the quantitative method to make up for the shortcomings of the existing qualitative analysis.

Table of Contents

List of Figures

List of Tables

Acknowledgement

Chapter 1 Introduction

1. Introduction：General theory of enterprise merger and acquisition

1.1 Background

Emerging markets are described as underdeveloped nations with significant room for economic expansion and governments that support the free market system (Quelch, 1998; Hoskisson, 2000). Reverse mergers have dramatically expanded over the past 15 years, as have cross-border M&A activities by multinationals from established to emerging markets. Since the 1980s, research has demonstrated that it is still being determined how acquirers, especially in the case of cross-cultural mergers and acquisitions, might benefit from economic improvements in emerging economies. In M&A, cultural integration is the most significant and challenging issue businesses must deal with. The "seven-seven law" of mergers and acquisitions refers to the considerable risk involved in achieving optimal performance; it typically states that 70% of M&As fail to meet the anticipated business target, and 70% of M&As fail to successfully integrate their cultures after the merger. They keep in mind that the likelihood of failed cultural integration following an M&A increases with the degree of cultural difference. Large Chinese companies currently focus on mature businesses in Europe and America as merger and acquisition targets. The staff at these companies have high appreciation for both their national and company culture. Therefore, cultural integration is more complicated when a Chinese company is acquired.

1.2 Definition of enterprise merger and acquisition

Merger and Acquisition, generally referred to as M&A, is a hot topics in the theoretical field as it is an essential way to realize the rapid expansion of enterprises.

The meanings of Merger

The Encyclopedia of Great Britain explains, "Two or more independent enterprises combine into one, typically with one or more being taken over by a powerful company". Merger is defined in the Encyclopedia of Great America as: "One business organization remains after the merger of two or more businesses, but the other businesses lose their distinct identities. Only the remaining firm retained its name and constitution and got

the assets of another firm. This Consolidation is not the same as consolidation, which resulted in a whole new organization where all the firms involved lost their original identity."

Because it requires the blending of organizational cultures, structures, management systems, and processes, the transition from two distinct organizations to one integrated organization continues to be a significant task for top executives. (Gomes; Weber; Brown; Tarba, 2011). As a result, a focus is put on planning procedures that make it easier for these various organizational 'systems' to be reconciled in order to realize anticipated synergies. (Schweiger; Weber, 1989; Stahl ; Voigt, 2008).

China's Company Law article distinguishes between two types of mergers. The first is an absorption merger, also called a statutory merger. The absorbed firm will be dissolved and lose its status as a legal person. The second type of merger is called a neural merger, in which two or more businesses merge to form a new business, and both parties are divided for consolidation. Of course, the definition of a "merger" varies depending on the person. According to the restricted definition of a merger, the dominant enterprise takes over one or more businesses in a disadvantaged position, destroying their legal personhood; nevertheless, the broad meaning of a merger might combine merger and acquisition.

According to the Securities Laws of our country, acquisition refers to the act of acquiring control of a company through the public purchase of its shares. This definition is put forward for listed companies, and there are some differences in the definition of acquisition in the theoretical circle. For example, Zheng Xingshan (2000) believed that corporate acquisition means that an enterprise owns parts or all of the assets of another enterprise to achieve complete control over the enterprise, while the controlled enterprise can continue to maintain an independent legal person status. Purchasing the assets, business divisions, or shares of another company in order to take over that company is known as an acquisition, according to Zhang Qiusheng (2001). The target enterprise's position as a legal person will stay the same in the meantime. Asset Acquisition is the act of buying part or all the assets of the seller. Equity Acquisition is the act of buying part or all of the shares of the seller directly or indirectly. According to the shareholding ratio, the seller and other shareholders jointly undertake the ownership

and justice of the enterprise. The proportion of equity acquired by the buyer enterprise can be divided into participation acquisition, holding acquisition, and comprehensive acquisition.

Although people still have different understandings of the concepts of mergers, mergers, and acquisitions, most scholars agree that "mergers and acquisitions are collectively referred to as mergers and acquisitions." (Zhao Jun , 2000; Zheng Xingshan , 2000)

The purpose of this study is not to investigate the notions of mergers and acquisitions but rather to theoretically define them as follows to make the concepts as plain as possible:

A merger is a business transaction in which one or more independent businesses are dissolved, and their independent legal standing is forfeited, while one business with legal entity status acquires the assets of others. A merger refers to an economic act in which two or more independent enterprises form a new enterprise, and the enterprises involved in the merger are dissolved and lose their legal personality. All their assets, claims, and debts are handed over to the new enterprise. Acquisition refers to an enterprise in the stock market buying another enterprise's shares or assets in the form of cash, bonds, or stocks in order to obtain the whole or parts of the control of the enterprise while the controlled enterprise can still retain the independent legal person status of economic action. Mergers and acquisitions are the general terms of mergers, which generally refer to the property rights transaction activities carried out by an enterprise to obtain all or part of the control rights of the target enterprise. The result is that the legal person status of the target enterprise disappears, or the control rights of the target enterprise are changed.   From the perspective of cultural integration, merger and acquisition can be regarded as a process in which two or more enterprises with different cultural systems combine to achieve cultural synergies.

1.2.1 Types of M&A

1. The division shall be based on the industrial relationship between the two parties
   Horizontal merger and acquisition

Horizontal merger and acquisition refers to the type of enterprise M & A in which two sides of M & A are in the same industry to produce and sell similar products or trade. Take the merger of two auto manufacturers as an example. The objectives of horizontal M&A are to eliminate competitors, increase market share, and strengthen the monopoly power of M&A enterprises in the industry market. The most significant advantages are cutting costs and obtaining economies of scale. As a result, organizations usually establish unified technical standards, united raw material purchasing, unified production process, and unified product sales channels after a merger or acquisition. Horizontal M&A is characterized by rapid expansion of enterprise scale and high centralization of M&A companies. Since most people are engaged in similar work, the administration and staff of overlapping institutions will be reduced after M&A, thus reducing management costs and increasing the responsibilities of retained staff.

Vertical merger and acquisition

Vertical mergers and acquisitions are mergers and acquisitions between enterprises that are connected and closely related to one another in production procedures or business links or between specialized enterprises with a vertical cooperation relationship. They involve different stages of a certain production activity. Vertical mergers and acquisitions ensure the supply chain of raw materials and parts so that all links in the production procedures are highly matched, lowering transaction costs, shortening the product life cycle, speeding up the production process, and saveing money on shipping and storage.

Looking at vertical mergers and acquisitions from an M&A direction standpoint, forward and backward M&A are distinguished. Forward M&A, often referred to as forward integration, describes the combination of businesses at the end of the production process with businesses at the beginning, such as manufacturing or assembly businesses merging with suppliers of parts or raw materials. Backward merger and acquisition, also known as backward integration, refers to the merger and acquisition of enterprises at the beginning of the production process and enterprises at the end of the production process, such as the merger and acquisition of raw materials and parts processing and assembly enterprises or the merger and acquisition of retailers by

production enterprises. Since the parties in vertical M&A are usually raw material suppliers and finished product buyers, vertical M&A mainly focuses on the processing manufacturing industry and related raw materials, transportation, and trading companies.

Two advantages of vertical merger and acquisition are the expansion of production and operation scale and the reduction of general equipment and cost. Collaboration in manufacturing benefits from improved close coordination between the production chain's parts. It shortens the manufacturing cycle, lowers storage and shipping expenses, saves resources and energy, etc. Vertical mergers and acquisitions typically expand the business of the acquiring company, making decentralized administration of operations more feasible.

Mixed merger and acquisition

Mixed merger and acquisition refer to the merger and acquisition between enterprises in different industries or sectors whose products belong to various markets and have no special production technology connection with their industrial sectors. In other words, a mixed merger is one in which there is no competition between the two parties in the product market, and no actual or potential customer or supplier relationship. The primary purpose of mixed M&A is to reduce the enterprise risk caused by the long-term operation of an industry by diversifying investment or business and to expand the scope of the enterprise's market activities by optimizing and complementing the resources.

Specifically, mixed mergers and acquisitions can be subdivided into three types:

Product expansion merger and acquisition refers to the merger and acquisition between enterprises with similar production technology or process, whose purpose is to take advantage of their technological advantages and expand product categories. For example, automobile manufacturers acquire agricultural tractors or harvesting machinery manufacturers. If the production technology or process of products between enterprises is very similar, it is equivalent to horizontal mergers and acquisitions.

Market expansion mergers and acquisitions refers to the mergers and acquisitions between firms with the same product sales market, aiming to take advantage of their own (or target enterprise) market advantages to expand market sales.

Pure hybrid mergers and acquisitions: Mergers and acquisitions between companies unrelated to producing and operating products or services.

Mixed mergers and acquisitions typically result in an increase in the number of factories and a more evenly distributed workforce.

Mergers and acquisitions will maintain more independence and autonomy for the other side's enterprises in the management and cultural areas. However, due to the significant cultural differences in the industries and the comparatively unfamiliar industry and enterprise operation of the other side, it can lead to challenges in integration and alignment. These differences may manifest in varying organizational structures, management styles, corporate values, and employee expectations. To address these challenges, it is crucial for the merging entities to invest in cultural due diligence, open communication channels, and comprehensive integration planning. This approach can help in identifying potential cultural clashes early on and developing strategies to harmonize the distinct cultural elements into a cohesive organizational culture that supports the merged entity's strategic goals and values. Furthermore, retaining key personnel from both organizations and involving them in the integration process can facilitate a smoother cultural transition and enhance employee retention, ultimately contributing to the success of the merger or acquisition.

2. Divide base on the strength of both sides

Strong -- strong merger and acquisition. In other words, the merger and acquisition of both parties in terms of size and strength are equal, and the status of both parties is equal. This kind of merger and acquisition combined with its strength can rapidly expand the enterprise's market share and improve the industry's status. It is generally a strategic merger based on the complementary core capabilities of both parties.

Strong - weak merger and acquisition. The acquirer is in a dominant position and is obviously stronger than the target enterprise in terms of scale and strength. Most of our domestic mergers and acquisitions, such as superior private enterprises on the verge of breaking the merger of small and medium-sized MNCs, belong to this type.

Weak-strong merger and acquisition. In other words, the target company is in a stronger position than the merger and acquisition party, which is weaker in scale strength or industry position. The terms "little fish devour large fish" and "snake

swallow elephant" are more frequently used in merger practice than this form of M&A. Think about Lenovo's acquisition of IBM's PC business.

Weak - weak mergers and acquisitions. That is, weak companies merge or unite weak companies. Sometimes, this type of merger and purchase is just the formal expansion of enterprise scale without the capacity growth. Sometimes, it can also promote strengths and avoid weaknesses by absorbing and reorganizing high-quality resources.

3.According to whether the target company's consent and cooperation

Bona fide acquisition: It means that the target company, especially the management of the company, agrees with the acquisition plan and acquisition conditions proposed by the acquisition company and takes a positive, cooperative attitude to promote the completion of the acquisition transaction. In bona fide mergers and acquisitions, the acquisition method, acquisition price, post-acquisition management integration, and other specific matters are decided through joint negotiation by the senior management of both parties until the merger and acquisition agreement acceptable to both parties is reached. Because both parties intend to merge and are familiar with each other, the success rate of a bona fide merger is relatively high.

Bad faith acquisition: It refers to the behavior of the acquisition company to forcibly implement the acquisition even when the target company's management is not aware of or opposes its acquisition intention. In a hostile takeover, the acquiring business frequently uses unconventional acquisition strategies and presents stringent acquisition requirements, which are challenging for the target company to accept. After learning of the acquirer's purchase intention, the target firm will, therefore, pursue several anti-takeover actions to stop the further implementation of the acquisition plan. Similarly, buy-out companies will step up their efforts to subdue their targets. The hostile takeover is exposed to significant acquisition risk due to the inability to secure the coordination and cooperation of the target firm's management.

4. According to the degree of control obtained by the acquirer

Integrated merger and acquisition refers to the overall transfer of assets or property rights of the target enterprise to the M&A enterprise. It takes much money to carry out a whole merger.

Partial merger and acquisition refers to the merger and acquisition of the target enterprise, which is only part of the assets or equity. Partial mergers and acquisitions make it easier to solve the problem of merger funds and can often produce the effect of "gambling big with small," which is usually accepted by enterprises.

5.The way of investment

Buy-for-assets mergers and acquisitions refer to the practice of the acquiring company paying cash for all or the majority of the assets of the target company to complete the acquisition.

6.The realization of mergers and acquisitions

Leveraged Buyouts refer to the acquiring firm using the income from the assets of the target company to fund the acquisition or to secure such payments. In other words, the acquisition company does not need a tremendous amount of capital but only needs to provide a small amount of cash plus the amount borrowed from the assets and operations of the target company as a financing security and repayment source to acquire the target company.

Management buyout: Management Buyouts (Mbos) refers to a kind of acquisition behavior in which the managers or managers of the target company purchase the company's share with the financing of the loan. The same is valid for changing the owner structure, controlling structure, and asset structure of the company to achieve the purpose of restructuring the company and obtaining the expected earnings. It is a type of leveraged buyout. The enterprise's operator becomes the enterprise's owner through this kind of acquisition. This type is generated to solve the problem of inconsistent interests between the principal and the agent. In recent years, many Chinese enterprises, such as Guangdong American, have tried MBO.

Tender offer: tender offer (namely, tender offer of listed companies in the narrow sense) means that the acquirer holds the target company's shares to the legal proportion (30% according to the Securities Law) through the trading of stock exchanges. If the

acquirer continues to be the shareholder with more shares, it must send a comprehensive purchase to all the shareholders of the target company according to the law.

7. Our unique form of merger and acquisition

Administrative transfer merger: This often happens in MNCs in our country and generally refers to the merger of enterprises with poor benefits and small scale by advantage enterprises with good efficiency between MNCs in the body of the same property owners. Because property ownership is within the scope of the property rights relationship at the same level, and enterprise assets are only transferred between different subjects at the same level.

Debt acquisition: In other words, when the target enterprise has the same assets and debts or is insolvent, the merged enterprise will be absorbed by the debts and overall property rights of the merged enterprise, and the merger will be realized under the condition of assuming the debts of the merged enterprise. According to the different degrees of debt, it can be divided into (1) In the case of equal assets and debts, the concurrently merging party accepts all the assets and management rights of the annexed party on the condition of assuming all the debts of the annexed party, and the legal person status of the annexed party disappears; (2)The annexed party shall assume part of the debts of the annexed party and provide technical and management services. The annexed party shall acquire the ownership of part of the assets and all the management rights of the annexed party. Although the leadership of the annexed party has been changed, the annexed party shall still account independently and be responsible for its profits and losses.

Mergers and acquisitions can be categorized into a wide range of distinct types using various classification criteria. Although other classification methods are occasionally used, the first classification method is primarily used in this study.

1.2.2 Motivation theory of enterprise buying

1. The division shall be based on the industrial relationship between the two parties

Due to the complexity and variability of M&A, western scholars have explained the motivation of M&A from different theoretical perspectives. For example,

Arthur.D.Uttle Inc (1978), based on an Institute of Financial Management report, identified 21 motivations for mergers and acquisitions. In 1980, a U.S. Federal Trade Commission panel of experts prepared a report based on focused interviews with ten senior executives that cited 31 merger drivers (Rock; Sikora, 1994). Typical theories include:

Economies of scale theory

This theory contends that the goals of mergers and acquisitions (M&A) are to increase corporate profits, achieve economies of scale, lower manufacturing costs, enhance the potential to create new technologies, and all of the above. Its underlying assumption is that the enterprise's production scale and management level before the merger did not achieve scale economy.

Management synergy theory

This theory states that a company can acquire a less efficient company to utilize its additional management resources fully and to organically combine the excess management costs of the acquired company with the acquired company's non-management organizational costs if the acquired company has an efficient management team whose management ability exceeds the requirements of the acquired company's daily management. The argument is predicated on the idea that markets are ineffective, which prevents business shareholders from removing bad managers.

Financial synergy theory

The theory holds that mergers and acquisitions can bring various benefits to enterprises in terms of finance. Firstly, the capital cost of enterprises can be reduced by M&A. For example, the "debt co-guarantee" effect and the "internal cash flow" effect generated by M&A can significantly reduce the financing capital of enterprises. Secondly, the enterprise can merge with an enterprise with accumulated tax loss and tax deductions and make use of the tax and accounting regulations related to the merger, such as loss deferral, exemption from investment regulation tax, etc., to achieve the purpose of legal tax avoidance. Finally, financial synergy, in a broad sense, also includes the "expected effect" of stocks, that is, the impact of merger and acquisition on stock prices due to changes in the stock market evaluation of corporate stocks, which is a major factor in stock speculation. The implicit assumption of this theory is that the

capital, tax savings, or expected stock market returns brought by M&A activities are more significant than the cost of M&A.

Portfolio theory

According to this idea, firms typically employ diversification to diversify risks because of the unstable market environment, and hybrid M&A offers a solution to diversify. According to the argument, market risk that is decreased through diversification is enough to offset rising management expenses and additional operational hazards.

Target company undervaluation theory

According to this theory, due to the fluctuations of stock and exchange rates in the capital market, when the value of a particular enterprise is undervalued, other enterprises may acquire control of the enterprise by purchasing shares, or when the acquiring enterprise believes that the value of the target company is undervalued because it knows some information unknown to the external market, it will also purchase and combine. Thus, expansion can be achieved at a relatively low cost. Implicit in the theory is the assumption of inefficient markets.

Managerial hierarchy expansion motivation theory

The theory suggests that managers care more about their rights, income, social prestige, and job stability than shareholders do about profits. Since the compensation of managers is a function of the scale of the company (Muelle, 1909), managers have the impulse to expand the scale of the company, and mergers and acquisitions are an important way for them to develop the scale to increase their income, rights, and career stability, while a large amount of idle cash flow (FCF) of the company also encourages the expansion impulse of the management. This results in many mergers and acquisitions with negative net present values (Jensen, 1986). The premise of this theory is that the corporate governance structure cannot overcome the agency cost problem, and the stock market is also inefficient, unable to control and supervise the behavior of managers.

Theory of market forces

This hypothesis contends that M&A is essential for market competition. On the one hand, the M&A business can quickly grow at low cost and risk, and by successfully

leveraging the assets, sales channels, human resources, and other benefits of the target business, it can lower the barriers to entry into a new market. On the other side, through M&A, businesses can better control key production aspects, lower competition, eliminate industry entry barriers, increase market share, and preserve the long-term consistent profitability of their operations. This theory's central tenet is that business behavior is entirely market-oriented and that business behavior and motivation are determined by the market structure.

Principal-agent theory

Aiming at the conflict of interest between management and shareholders, this theory holds that when the internal constraint and incentive mechanism of an enterprise cannot effectively solve the agency problem, M&A provides the last external incentive mechanism to prevent the management from excessively profiting from the expense of the public or neglecting their duties. Otherwise, the operation and management lag caused by inefficiency or agency problems will lead to the threat of a takeover of the enterprise.

Transaction cost theory

According to this theory, the only motive of M&A is to save transaction costs, and the essence of M&A is the substitution of enterprise organization for market. On the one hand, when an enterprise's "asset specificity "(Williamson, 1979) reaches a certain level, the excessive potential cost of market transactions will encourage the enterprise to stop relying on the market and internalize it in the form of vertical merger and acquisition to save transaction costs. On the other hand, when the cost of managing unrelated business activities is lower than the cost of organizing these activities through the market, the enterprise will realize the operation of multi-sector enterprise through mixed merger and acquisition to save transaction costs. In this sense, a multi-sector enterprise can be regarded as internalized. Through a unified strategy, the microcapital market enables the most efficient use of capital concentration. Transaction cost theory is a creative explanation of enterprise merger motivation, but due to the abstractness of this theory, it is challenging to give corresponding empirical verification, so it also affects its persuasion to a certain extent.

Information and signal theory

This theory explains why the stock value of the target firm is always permanently increased in a tender offer, whether the takeover is successful or not.

Information theory holds that new information is produced due to a tender offer, and the revaluation is permanent. This hypothesis contains two explanations: The "whipping behind" explanation contends that acquisitions encourage managers of the target firm to pursue a more effective strategy on their own, without any external impetus to re-overvalue the target firm. The "sitting on a gold mine" explanation contends that acquisition activity will spread information about the undervalued stocks of the target enterprises and prompt the market to revalue these stocks.

Information theory is distorted by signal theory. The market may be informed by special actions that the company has an additional value that has not yet been recognized or that the company's future cash flow will increase. The release of a signal can be included in merger and acquisition activity in a number of different ways, and a takeover offer has been made.

Redistribution theory

According to the redistribution theory, shareholder value increases at the expense of the interests of other stakeholders in M&A activities. Under the "redistribution" hypothesis, other company stakeholders include bondholders, government, workers, and customers, and redistribution is reflected in the reduction of the value of bonds held by bondholders. Less tax revenue equals less money for the government; for the workforce, it means lower pay or less employment.

It can be seen that M&A is actually a comprehensive and balanced process involving multiple factors. As Keith D. Brouthers et al. (1998) pointed out, the motivations of enterprise merger and acquisition are diverse and complex, which is difficult to explain by a theory. The actual process of enterprise merger and acquisition is an interactive process that involves multiple factors.

Nevertheless, employees frequently react negatively during the post-acquisition implementation phase; and cultural conflicts are linked to more dysfunctional employee behaviors (Marmenout, 2011). Before, during, and after the acquisition, changes in organizational patterns produce shock, anger, disbelief, depression, and helplessness.

Each of these emotions causes a loss of attachment and identification with the new organization (Coff, 2002; Schweiger et al., 1987; Birkinshaw et al., 2000).

1.2.3 Research status of post-merger culture conflict

Berry first proposed the idea of acculturation, and according to the conflict between the two sides of the merger and acquisition and the ways to solve the conflict, the enterprise cultural integration mode in the merger and acquisition is divided into four types: injection, penetration, separation, and extinction. Harris and Moran (1987) proposed four cultural integration models similar to Berry's in view of cultural differences within organizations: Dominance, Compromise, Synergy, and Isolation. According to Edward (1996), culture can be divided into formal system level, informal system level, and technical system level. Shrivastava (1986) believed that the effect of cultural integration would directly affect the development of post-merger enterprises and that the M&A enterprises needed to come up with solutions to solve the differences in management system, business philosophy, and values between the two parties. Improper integration was an critical reason for the failure and poor performance of M&A.

J. Richard Harrison (2006) pointed out that due to cultural differences, enterprises with different cultural backgrounds tend to have differences in management concepts, which makes it difficult for managers to convey management concepts in a timely and effective manner. In order not to affect the business plan of enterprises, large-scale employee replacement is easy to cause the problem of brain drain.

1.2.4 Domestic research status

In transnational M&A, the effective transfer of knowledge and skills cannot be achieved without an excellent corporate culture atmosphere. Tang Yanzhao (2011) compared and analyzed the differences between Eastern and Western business cultures from the perspective of business culture to provide theoretical support for cultural integration in transnational mergers and acquisitions of enterprises with Eastern and Western business cultures. Based on the theory of cultural stratification, this paper

analyzes the cultural integration of transnational M&A from three dimensions (basic premise, values, and norms of behavior). The model divides the cultural integration types of M&A enterprises into absorption-cultural assimilation, retention-cultural diversification, integration-cultural transformation, and anti-M&A-cultural assimilation. He Chaohua (2005) believed that the cultural integration model could be divided into four different models, namely assimilation, isolation, integration, and introduction, according to the different stages of the development of corporate culture of the two sides of the merger. When both cultures are at a low stage, the fusion mode is adopted. When both cultures are at a high stage, assimilation and integration modes are adopted. When the culture of the M&A enterprise is at a low stage, and the culture of the M&A enterprise is at a high stage, the introduced cultural integration model mi is adopted.

Dai Chan (2011) pointed out that the cultural integration of an enterprise, on the one hand, refers to the coordination of the differences and conflicts among different corporate cultures; on the other hand, it refers to the process of innovating, reengineering, and remolding based on the original corporate culture to form a new corporate culture with complex changes and development. Yang Jie (2005) divided the cultural integration modes of M&A into injection, retention, integration, and promotion modes according to the degree of cultural change on both sides. Zhou Yuancheng, Li Xiangyin and Zou Zide (2005) believed that the integration of corporate culture should be based on the original superior corporate culture and through the mutual contact, exchange, absorption, and penetration of two transplanted cultures and the management of their process, some high-quality components in the heterogeneous culture should be absorbed, while some backward characteristics in itself and the heterogeneous culture should be removed.   Gradually standardize, institutionalize, and rationalize it, and further strengthen it in the psychological and behavioral characteristics of the new organization personnel, so as to establish a new corporate culture system with more vitality and market competitiveness. Wu Bingqian and Duan Qiaohong (2011) divided the cultural integration modes into the following aspects according to the different strengths of the culture of the acquired enterprise and the acquired enterprise: Injection, that is, the enemy is weak and the other is strong; adaptation strategy, that is, the enemy is strong and the other is weak; penetration and combination, that is, equal competition;

retention culture, that is, the two sides have significant cultural differences and the merger enterprise is multicultural. Through investigation and a large number of case studies, Zhang Yongjian found that the cultural integration mode selected by enterprises would be affected by merger and acquisition, and the leadership should attach importance to informal organizations in enterprises, which to some extent affect the effect of cultural integration.

Cai Ning and Shen Yuehua (2001) believe that corporate merger strategy, entrepreneurial style, and original corporate culture characteristics have more prominent influences on the selection of corporate cultural integration mode. Chen Xiaoping pointed out that a "bicultural team" is prone to poor students' "two armies against each other" situation, which is likely to greatly reduce the quality of communication and interaction of team members and lead to the decline of team performance. This result proves why senior management teams in joint ventures are most difficult to be efficient. Cross-cultural teams have great potential to surpass single-culture teams, but if they are not well managed, there will be great hidden dangers and risks. Sui Jing believes that Chinese national culture is deeply influenced by Confucianism, which values the harmony and integration of interpersonal relations and emphasizes the communication and interpersonal skills of employees. Gu Weiping and Xue Qiuzhi (2004) argued that transnational mergers and acquisitions are confronted with dual differences between national culture and corporate culture, which may not only cause culture conflicts in transnational mergers and acquisitions but also bring value to cultural innovation. According to Sun Shizhu (2010), culture conflicts in M&A mainly manifest in the conflict of values, customs, and norms of conduct.

Type of cultural integration mode: integration of cultures, creation of a blended culture as a result of mutual understanding. When an enterprise is bought, its original culture is abandoned in favor of assimilating into the culture of the new enterprise. Maintaining the two civilizations' independence through cultural separation, cultural extinction, and the acquisition of an unchanged company culture is unacceptable to the acquiree. The integration mode of the M&A culture is altered in accordance with the target change of M&A firms.

Wang Xiaohong (2011) put forward that different social and cultural backgrounds and production practices also present different characteristics of corporate culture. Like other organisms, the enterprise is a living entity with inevitable cultural rejection. When the core cultures of the two sides of the merger are inconsistent or far apart, such as the prudent and conservative culture and the innovative and aggressive culture, cultural adaptability friction El will inevitably appear in the merger due to the differences in values, behavior, and management styles of the two sides. Su Jin and Li Yingyu's research focuses on cultural affinity at the level of reasoning.

Research on cultural integration in international business mergers and acquisitions The analysis of cultural affinity at the level of values focuses on the compatibility of the values, ways of thinking, and cultural customs of employees in different enterprises, using the merger of two steel companies as an example. This is the highest guiding principle of all behaviors between different enterprises. Employees' everyday behavior in various organizations can be used to analyze cultural affinity at the behavioral level. Cai Jiansheng (2006) explained that there may be an apparent division from the cultural buffering stage to the cultural integration stage, or there may be overlapping processes. The cultural integration and integration of the two sides' cultural fusion mode will combine the excellent cultures of both sides, mix, and create a new corporate culture.

1.2.5 Cultural integration theory

The internationally famous "Law of 77" of cross-border mergers and acquisitions is that 70% of M&As don't realize the expected value, and 70% of the failures of cross-border M&As are due to the unsuccessful cultural integration after the merger and acquisition. If the two enterprises don't properly handle the contradiction, the managers' management methods are not unified since the employees' values differ. Promoting the work and the development of the enterprise will be difficult. The potential of the acquired businesses to create value is simply one factor in Huang Youjun's (2006) theory; post-M&A integration also plays a significant role. One of them is the integration of corporate culture; failing to consider the variations in corporate culture is a major factor in M&A failure.

Through the analysis of the failure factors of mergers and acquisitions, Kearney Consulting Company draws the conclusion that the conflict caused by different cultures leads to the failure of cross-border mergers and acquisitions. A Conference Board survey of 147 M&A directors at Fortune 500 companies found that 90% of successful mergers and acquisitions were due to the right approach to cultural integration. American scholars Kapoor and Cooper & Lybrand (Cooper & Lybrand) conducted a comprehensive survey of the leaders of 100 famous international enterprises on the factors of cross-border mergers and acquisitions.

The degree of integration of corporate culture has a significant impact on cross-border mergers and acquisitions. Whether employees can accept the corporate culture after the merger, comply with corporate rules and regulations, and recognize the management style of managers are the core factors for the success or failure of mergers and acquisitions. According to the research, successful mergers and acquisitions will also improve the corporate culture. Diverse cultural viewpoints within a global context can help us analyze and comprehend the challenges faced in the growth of enterprises in various ways, which is conducive to fostering new work creativity, responding to culture, promoting mutual integration, and making contributions to raising the competitiveness of enterprises.

Research content and framework

Enterprises carry out mergers and acquisitions with beautiful visions. The acquirer expects to achieve diversification or extend the industrial chain through mergers and acquisitions, and the acquirer also expects to transform itself with the advantage of the acquirer's resources. However, the results often run in the opposite direction. Based on the medical industry, from the perspective of the cultural characteristics of MNCs and private enterprises, the paper explores the culture conflicts at various levels caused by the merger and acquisition of Company K, a well-known local medical company, by large foreign-owned enterprise M company, and studies the focus of culture conflicts in the process of merger and acquisition by quantitative analysis method. To put forward targeted measures and suggestions to address and integrate the cultural conflicts that arise in the merger and acquisition of medical enterprises within the context of different

property rights cultures, ultimately aiming to align the merged entities towards a shared vision and successful collaboration.

This essay is divided into six chapters. The study background, significance, ideas, techniques, and points of originality are all explained in the first chapter of this publication. The second chapter scans the body of writing from three angles. (1) The Chinese and foreign literature review on the concept, type, and motivation of M&A; (2) the concept, characteristics, and classification of corporate culture in Chinese and foreign languages. (3) The culture conflict and integration of mergers and acquisitions of Chinese and foreign literature review. The third chapter introduces the case of M company's merger with Company K. Then primarily describes the research methodology used in this study, including the variable selection, questionnaire design, and hypothesis. The fourth chapter uses SPSS 3.0 for statistical analysis of the collected questionnaire data to study the influence of four aspects of cultural conflict on the intensity of conflict and the problems in the cultural integration of merger and acquisition. The fifth chapter measures the cultural integration of Chinese enterprises' merger and acquisition of private enterprises. Starting from the problem of cultural conflict and integration, this paper provides a valuable reference for integrating corporate culture after the merger. Chapter six is the conclusion and enlightenment.

1.3 Hypothesis and Research Methods

Mergers and acquisitions are critical for enterprises to expand their scale and market share. However, cultural conflicts often arise in the process, affecting the overall performance of the merged companies. This paper aims to study the integration of cultural conflicts in the M&A of enterprises, particularly in the medical sector. Based on a comprehensive analysis of the literature and empirical research, we propose a set of hypotheses and methods to prove the causal relationships among the factors that influence cultural conflicts in the M&A of medical enterprises.

Hypothesis 1: Multinational and private enterprises have formed unique corporate cultures in the long-term development process, and cultural conflicts will inevitably occur after mergers and acquisitions.

Corporate culture refers to a common value, belief, code of conduct, and way of thinking formed in an enterprise's long-term production and operation activities. It reflects the mission, vision, and strategy of an enterprise and affects its organizational structure, management system, and employee behavior. Different enterprises will form different corporate cultures due to their different development history, environment, ownership nature, and other factors. There are significant differences between multi-national enterprises and private enterprises in these aspects, so it is difficult to achieve cultural consistency after merger and acquisition. Cultural conflict refers to the friction, opposition, and contradiction caused by the differences and adaptations between different cultures. Cultural differences between companies and cultural conflicts that arise after M&A are objective rather than the subjective judgment of one company or individual. Therefore, this paper mainly adopts the literature research method in this part. Carefully study journals, papers, and works related to enterprise merger and acquisition and culture conflict, understand the research status, research results, and methods of integration of culture conflict in enterprise merger and acquisition, and enrich my theoretical knowledge reserve. Meanwhile, questionnaires and cases are used to analyze the specific manifestations of cultural differences between enterprises, and a certain amount of sample statistical data is used to prove the widespread existence of cultural conflict after M&A.

Hypothesis 2: The cultural conflicts of medical enterprises in merger and acquisition are mainly reflected in four aspects: spiritual cultural conflicts, behavioral cultural conflicts, material cultural conflicts, and institutional cultural conflicts.

In the following literature review, there are relevant cultural hierarchy models that divide corporate culture into four levels: spiritual culture, behavioral culture, material culture, and institutional culture. Spiritual culture refers to the core values, beliefs, and ideas of an enterprise. It is the soul of an enterprise culture and the most difficult part to change. Behavioral culture refers to the behavior norms, habits, and styles of an enterprise. It is the expression of corporate culture and the most easily observed part. Material culture refers to the material products, facilities, and symbols of an enterprise. It is the carrier of corporate culture and the part that is most easily changed. Institutional culture refers to an enterprise's organizational structure, management system, and

human resources policy. It is the guarantee of corporate culture and the easiest part to adjust. According to this paper, in the merger and acquisition, the four levels of the culture of medical enterprises may conflict, which is as follows:

Spiritual and cultural conflict: Multinational enterprises and private enterprises may be inconsistent or contradictory in terms of medical concept, service purpose, and social responsibility, making it difficult to form consensus and trust between them.

Behavioral culture conflict: Multi-national enterprises and private enterprises may have differences or incompatibilities in working methods, communication methods, leadership styles, and other aspects, resulting in difficult cooperation and cooperation between the two parties.

Material culture conflict: there may be gaps or incompatibility between Multinational and private enterprises in terms of medical equipment, diagnosis and treatment standards, brand image, etc., resulting in complex integration and unification of the two sides.

Institutional culture conflict: Multinational enterprises and private enterprises may have conflicts or dissatisfaction with the organizational structure, management system, human resource policies, and other aspects, which makes it difficult for both parties to adapt and obey.

Hypothesis 3: There is a high degree of correlation and interaction among the four factors of cultural conflict.

This paper holds that the four factors of cultural conflict are not isolated but influence and restrict each other. This is based on the following logic and evidence: Obtain the relationship data between different cultural factors through a questionnaire survey and verify the correlation between the four factors by statistical method of correlation analysis.

Spiritual culture is the source of behavior culture, material culture, and system culture, which determines the behavior mode, material form, and system arrangement of enterprises. If there is a conflict between spiritual cultures, it is difficult for other levels of culture to reach an agreement.

Behavior culture is the expression of material culture and system culture, which reflects the actual operation and execution ability of an enterprise. If there are

differences between behavioral cultures, it is difficult for other levels of culture to integrate and coordinate.

Material culture is the carrier of spiritual culture and behavior culture, which shows the image and quality of an enterprise. If there is a gap between material cultures, it is difficult to unify and standardize other levels of culture.

System culture is the guarantee of spirit culture, behavior culture, and material culture. It standardizes the organization structure, management system, and human resources policy of an enterprise.

Hypothesis 4: The four factors of cultural conflict have different degrees of influence on the intensity of cultural conflict.

In the verification of this hypothesis, we will use a survey questionnaire to collect data from employees of medical enterprises that have undergone mergers and acquisitions. The questionnaire will be designed to measure the intensity of cultural conflicts in the four dimensions mentioned in Hypothesis 2. Firstly, the perception degree of employees on different types of cultural conflict was obtained through a questionnaire survey, and then the influence degree of four factors on the intensity of cultural conflict was analyzed by correlation analysis and regression analysis. For example, behavioral culture conflict has the most significant impact on conflict intensity, while institutional culture conflict has a relatively small impact.

Hypothesis 5:After mergers, different cultural conflict factors have varying degrees of impact on talent retention. The cultural conflict factors affecting the retention of talent among different groups.

In the validation of this hypothesis, we conducted a survey among employees of medical enterprises that have experienced mergers and acquisitions. The surveyed group included employees of different genders, those who are still employed and those who have left the company, with varying job positions and lengths of service. The main focus was to analyze the employees' perception of cultural conflicts and the extent to which cultural conflicts influence their turnover, in order to gain a deeper understanding of how different groups perceive various cultural conflicts and how these conflicts affect the operations and employee retention of the merged enterprise.

Hypothesis 6: The intensity of cultural conflict after M&A can be reduced by establishing a cultural integration program: enhanced training, employee engagement, communication, and leadership.

In this regard, in addition to conducting a questionnaire survey on the perception of cultural conflict among the employee samples after the implementation of the cultural integration plan, this paper also uses qualitative analysis to conduct in-depth interviews. The interview contents are measured and analyzed from various perspectives, such as employee compensation and welfare, job satisfaction, and corporate performance. In-depth interviews will be conducted with selected employees and managers from the merged medical enterprises to explore their experiences and perceptions of cultural conflicts in the M&A process. In addition, cultural integration is a dynamic process, and in-depth interviews after a certain period of implementation can more comprehensively evaluate the effect of a cultural integration plan and track the current situation of enterprise culture.

To sum up, the hypothesis proposed in this paper will be provided with theoretical and empirical support in the following paragraphs, providing guidance and a basis for the subsequent data analysis and conclusions of this paper.

1.4　Expected Results and Possible Innovations

Expected results:

1.We expect to find a significant relationship between the cultural backgrounds of the merging enterprises and the intensity of cultural conflicts after M&A.

2.We anticipate that the four factors of cultural conflicts will have varying degrees of influence on the overall intensity of conflicts, with some factors having a more substantial impact than others.

3.We expect to find that the four factors of cultural conflicts are highly correlated and influence one another.

4.We expect to find significant differences in the impact of various cultural conflict factors on talent retention after mergers.

5.We anticipate that the research results will reveal that certain cultural conflict factors have a more pronounced effect on the retention of specific employee groups, while having a relatively smaller impact on others.

6.We hypothesize that a well-designed cultural integration plan, including training, employee participation, more communication, and leadership, will effectively reduce the intensity of cultural conflicts after M&A.

Through this study, we hope to provide merged enterprises with a strategic framework on how to manage and resolve cultural conflicts and promote talent retention, thereby optimizing business operations and enhancing overall performance.

Possible Innovations:

Enterprises in the medical industry have unique industry characteristics in the process of development, and MNCs and private enterprises themselves exist with a large cultural difference, predecessors less research. This paper takes the case of the merger and acquisition of Company K by the foreign-owned enterprise M Company in the merger practice as the research object. It starts with the development history and cultural accumulation of the two enterprises to explore the focus of the cultural conflict of the merger and acquisition.

The cultural tensions that arise during corporate mergers and acquisitions are frequently particular and imperceptible. Therefore, to study the process of cultural integration and to list aspects of cultural conflicts, the existing literature primarily uses qualitative methods. Using quantitative analysis and a survey, this paper aims to investigate the root of cultural conflict following the merger and acquisition of medical businesses. It has been discovered that the culture conflict resulting from the merger of MNC and private firms has behavioral culture conflict as its outward manifestation and spiritual and institutional culture conflict as its inner conflict. To find answers to the cultural integration of MNCs' mergers and acquisitions of private businesses, questionnaire surveys and interviews are further employed as a basis. Our findings will also contribute to the existing literature on cultural conflict integration in mergers and acquisitions and provide practical guidance for medical enterprises seeking to achieve a successful M&A process.

Chapter 2 Literature Review

This paper examines the key ideas in the literature from the viewpoints of enterprise merger and acquisition, enterprise culture, culture conflict, and integration of enterprise merger and acquisition based on a thorough analysis of the pertinent literature.

2.1 Enterprise Merger and Acquisition

It is observed that almost all of America's most famous corporations have grown in some way through mergers and acquisitions, but the motivations behind mergers and acquisitions vary widely. Due to the different economic development backgrounds and research stages, this paper respectively summarizes the motivation and success factors of M&A at home and abroad.

Based on the theory of the separation of ownership and management rights in the modern enterprise system, Jensen and Meckling (1979) proposed the agent theory of M&A motivation, contending that when professional managers hold fewer shares of the company or do not hold any shares, they initiate self-interested M&A in pursuit of their interests. Mullin et al. (1983) investigated the effects of American steel company separation on the industrial chain. They discovered that the separation of steel businesses enhanced steel output and decreased steel price, which in turn supported the compelling case for enterprise merger and acquisition. Dong et al. (2006) adopted the empirical research method and concluded that with the changes in the market environment, the driving forces of M&A were different at different stages. Before 1990, Tobin's Q value theory dominated the M&A wave of listed companies. The M&A wave of listed companies after 1990 is mostly driven by the theory of market timing. Mitchell and Mulherin (1996) found that different industries have different industry characteristics, development stages, and rules. Therefore, the probability and opportunity of M&A and reorganization of enterprises in different industries are entirely different. To some extent, they are all affected by industry shocks (Weston, 2004), starting from the synergy of merger and acquisition, and proposed that different merger and acquisition methods have different synergies. Horizontal mergers and acquisitions

can improve the market share of enterprises and expand the scale; Vertical M & A can open and down the business chain and save transaction costs; Multiple mergers and acquisitions can effectively disperse market risks.

As for the success or failure factors of merger and acquisition, Davis (1969) believed that the key lies in the difference of management styles, among which management styles mainly include management risk preference, investment return cycle, and proper distribution. Buono and Lewis (1985) found that the main reason why mergers and acquisitions failed to achieve the intended goal was the difference in corporate culture. Bruce Wasserstein (1991) noted that the ability of the acquired party to create value is only one factor in the success of an M&A. but also on the integration after the M&A. Chattel and Lubatkin (1992) showed that the apparent difference in corporate culture between the two sides of a merger and acquisition would lead to stock price fluctuations, thus damping investors' investment enthusiasm. Singh (1994) pointed out that enterprises should shorten the cultural distance between the two sides of the merger as much as possible to better coordinate and integrate to reduce the adverse impact of cultural conflicts after the merger.

Chinese enterprise M & A started late and was deeply affected by China's economic system and economic environment. Enterprise M & A motivation has a certain particularity. Zhang Qiusheng (2010) believes that the motivation for enterprise mergers and acquisitions mainly includes the internal driving force of the pursuit of synergies and the incentive factors limited by external environmental factors. Huang Yan (2011) believes that in the market economy environment with Chinese characteristics, the motivation of enterprise M&A has its particularity, such as setting up group enterprises, adjusting state-owned asset's structure, eliminating enterprise losses, solving employees' employment problems, and so on. (1) Eliminate corporate losses. Early on, after the People's Republic of China was established, MNCs dominated. When enterprises were operating at a loss, the government, in order to stabilize employment and include state-owned assets, often under the guidance of the government, by the large MNCs with sound business and strong strength to acquire loss-making enterprises, to avoid the bankruptcy of loss-making enterprises. (2) Establish an enterprise group. With the development of economic globalization,

multinational corporations keep pouring into China to compete fiercely with local enterprises. On the other hand, Chinese enterprises also need to compete in the international market to compete for resources and markets. The Chinese government encourages enterprises to set up large and powerful enterprise groups to compete through mergers and acquisitions. (3) Backdoor listing. In China, the enterprise listing threshold is high, the CSRC on the overall number of listed companies and listing time control is strict, some of their conditions cannot reach the listing conditions or direct listing cost is too high, often in the capital market to find listed shell resources, through the acquisition of listed companies quickly become listed companies (1). Yu Yu and Wang Jianqiong (2015) divided the theory of enterprise M&A motivation into western M&A motivation and Chinese special M&A motivation. (2). Xie Qiaoli et al. (2020) proved through examples that enterprise mergers and acquisitions can reduce costs while expanding the market and achieve synergistic effect mi of complementary advantages.

To sum up, enterprise merger and acquisition is a process that tends to balance due to the interaction of many factors. Its driving force is diversified and complex, which cannot be explained by any specific theory. However, many scholars at home and abroad put forward that whether cultural integration is smooth or not directly determines the success or failure of enterprise M&A.

2.2 Corporate Culture

The conception of corporate culture is born in America, "blooms" in Japan, and "takes root" in China. Chinese and international students have distinct perspectives on corporate culture, and Chinese businesses have developed different cultures in order to adapt to business growth due to different ownership.

1.General theory of corporate culture

The research boom of Corporate Cultures in the theoretical circle began in the 1980s. The reason why it gained widespread attention was that Japanese enterprises were valued by the US due to the rapid rise of "soft factors" after World War II. Second, the four books Theory Z by Ouchi, Western Corporate Culture by Diehl and Kennedy,

The Search for Advantage by Peters and Waterman, and The Art of Japanese Business Management by PASCAL and Athos contributed to the development. The following section will help you understand corporate culture from the concept, structure, type, and measurement of corporate culture.

2. The connotation and hierarchy of corporate culture

（1）The meaning of corporate culture

There have been many controversies about the definition of corporate culture at home and abroad.

Early definitions of corporate culture include Hornes (1950), who defined corporate culture as the norms gradually formed in the work team, for example, the special norms of "a fair day's work, a fair day's wages" formed in the observation room of the relay winding unit in Hawthorne experiment. Goffman (1967) and Van Menen (1979) believe that corporate culture is the norms of behavior that people follow when interacting with each other, such as the language they use and the etiquette they follow. According to Tagiuri and Litwin (1968), corporate culture refers to the mood or ambiance that an organization's design and the way its employees interact with clients or other external parties create.

In the 1980s, with the publication of Ouchi's Theory Z and four other works on corporate culture, people's research boom on corporate culture reached an unprecedented height, and the definition of corporate culture was quite rich at that time. For example, William Ouchi (1984) believes in the Theory that corporate culture is "constituted by its tradition and ethos. A company's values, such as aggression, defensiveness, and energy, which shape patterns of behavior, opinion, and action, are also a part of its culture. Managers transmit that paradigm to upcoming worker generations by borrowing it from their staff. "Terrance Deal (1989) and Allen Kennedy (1989) identified five components that make up corporate culture in Western culture: corporate environment, values, heroes, conventions and rituals, and cultural networks. The corporate environment is the most important factor in determining corporate culture. Values are the foundation of corporate culture, heroes are the concentrated embodiment of organizational power, and the personalization of corporate values, customs, and

rituals is a key means of passing down and strengthening corporate culture. The cultural network is the conduit for disseminating corporate culture.   The writers of The Art of Management in Japan, Pascale and Athos (R.T.; Athos, 1987), quoted Peter Drucker as saying that corporate management should be both a discipline and a culture. A society with its standards, principles, customs, and language. Peters and Waterman (1985) In his book Seeking the Edge -- Lessons from America's Most Successful Companies, he detailed eight cultural characteristics of exceptional companies: action first, customer friendliness, innovation encouragement, people orientation, words, and deeds, sticking to their roots, streamlining the military, leniency, and economy. In their view, corporate culture refers to the common values and guiding ideology of a company, a kind of tradition that can harmonize the whole company, and a process and activity that provides lofty and ambitious opportunities for employees. The school of organizational culture also defines corporate culture from the perspective of its discipline. Famous scholars include Dutch scholar Hofstede and American scholar Shane. According to Hofstede (1983), corporate culture is a "collective mode of thinking." Corporate culture is "made, discovered, and developed by a given organization in the process of coping with the difficulties of external adaptability and internal integration, which has proven to be effective," according to Schein (1984). And to teach new members how to comprehend, consider, and experience the underlying presumptions.

After entering the 1990s, people have a deeper understanding of the definition of corporate culture. American scholars John P. Cote and James L. Heskett (1997) argued in their book Corporate Culture and Business Performance that Corporate culture is defined as the "common corporate beliefs and business practices of all departments of a corporation, at least the senior managers of the enterprise. It refers to the shared cultural phenomena among several divisional or departmental functions situated in varied geographic contexts within an organization. 'Jaclyn Sheraton and James L. Stern (1998) wrote in Corporate Culture: According to "Removing Potential Obstacles to Enterprise Success" " corporate culture is the atmosphere or personality of an organization, and it is primarily made up of four elements: (1) external expression forms, such as the shared idea, employee behavior, and value orientation; (2) management atmosphere, which is made up of management style and management concept; (3) management atmosphere,

which is made up of existing management systems and procedures; and (4) standards and procedures, both written and oral.

Homs (1950) proposed that corporate culture is a unique system and that norms gradually formed in the process of teamwork. Goffman (1967) mentioned that corporate culture is the behavior norms that employees influence each other and follow together in the process of production and management. William Ouchi (1981) proposed that corporate culture is the behavior habits and value beliefs accumulated by enterprises in long-term practice under a certain social and cultural background. J Schein (1984) believed that leaders convey habits and beliefs to employees. In order to teach new employees how to grasp and experience the aforementioned issues properly, corporate culture is an assumption produced by an organization while dealing with internal and external problems. O'Reilly (1996) believes that corporate culture is the values shared by all members, and these values are an internalized normative belief guiding employees' behavior. American scholar Stephen P. Robbins (1997) defined corporate culture as a unique value system observed by all members of an organization.

Although scholars differ in their expressions of the connotation of corporate culture, they all focus on "values" and "norms of behavior." The differences are mainly reflected in the emphasis on corporate culture and the extension of its definition. Barton (1992), an American scholar, proposed the concept of core rigidities, believing that the core competence of enterprises originates from the accumulated knowledge during operation, which is exclusive and difficult to imitate. Lebas (2005) believed that the uniqueness of an enterprise's knowledge system was not only difficult for competitors to imitate but also tricky to change. Shenkar (2008) believes that once a strong culture is established, it will be substantial and ubiquitous. Such stable performance of corporate culture makes it exist in the enterprise entity for a long time. According to Maitian (1999), enterprises carefully design a set of logical and powerful operation mechanisms for self-protection and form the overall internal communication mode through continuous strengthening so as to resist external novelties and attempts to change the overall internal communication mode. With the continuous development and maturity of the enterprise, some consciousness and behavior will be confined to the common expectations of the organization, forming the enterprise's unique code of conduct, values,

group network relationship, and legend. Often, the more successful a company was in the past, the more entrenched the corporate perception was, and the more complacency and inertia were fostered in the culture.

Chinese scholars' definitions of corporate culture are also varied and can be said to be different people and wisdom. Liu Guangming (2002) believes that corporate culture is a type of organizational culture that develops in businesses. The organization's members recognize its principles, conduct standards, and other ideological and material forms. Wei Jie (2002) The statement asserts that "business culture" is the value notion that enterprises believe in putting into practice. In other words, corporate culture is the value idea that businesses support and really put into reality. "Peng Jianfeng (2002) believes that corporate culture is a psychological contract among organizational members. Every enterprise has its own core values, and employees form a psychological contract with the enterprise based on this. That is, employees identify with the common vision and pursuit of the enterprise. Align personal goals with organizational goals, take responsibility, and manage autonomously. At the same time, once integrated into the daily management of enterprises, culture is a rational management means, which is a sensible choice for enterprises to achieve utilitarian goals.

From the above definitions, corporate culture is defined differently by many individuals despite having certain common denotations. For instance, they all agree that "values" and "codes of conduct" are components of corporate culture. The distinctions result from the definitions' emphasis and range, respectively. On the basis of this comprehension, this study contends that corporate culture is a collection of values, convictions, and guidelines for conduct that have been long-promoted by the company's founders or senior managers and are largely accepted by the workers.

Enterprises formed and developed under different economic backgrounds and property rights systems have formed unique cultural characteristics in their long-term production and management practices. Luo Fan and Yu Lian (2001) proposed that the cultural conflicts in MNCs are mainly focused on the struggle for rights and status, and the frequency of conflicts is relatively high, almost every day or every week, and the conflicts are obviously destructive, which may lead to the disintegration of people and

the decline of productivity. Song Hongmei (2003) believed that the government, as the carrier of the personalization of MNC' property rights, to some extent, the MNCs have social management responsibilities, which makes the management system of MNCs with strong administrative color. Major decisions are reported to the superior departments for examination and approval in strict accordance with procedures, and the senior management is mostly appointed and removed by the government administrative departments. MNCs have the problems of unclear rights and responsibilities, multiple management, and low efficiency because it is not easy to determine the quantity and quality of labor, in theory, according to the distribution of work, but in practice, the distribution is equal. Gong Xiangchen (2012) proposed that the culture of MNCs is typical of "equalitarianism", with employees' low enthusiasm for work and low efficiency. What's more, the cliquism of cliquism under the orientation of relationships prevails in MNCs. Wang Gang (2019) holds that the cultural construction of MNC is unbalanced, employees' participation is poor, and leaders' understanding is insufficient. J Wang Yu (2020) holds that the culture of MNC fails to stimulate its potential truly, and the appearance of cultural construction is the next step.

Fu Liying (2004) proposed five characteristics of the culture of private enterprises, which are local, family blood, short-term, individual and changeability. Sun Jing Hua (2005) believed that credit crises are common in Chinese private enterprises. Xu Xiangnong and Wang Huabing (2006) believe that family culture is the dominant culture of private enterprises, and individuals will often override the organization with obvious utilitarian tendencies and significant regional cultural color. (Ye Sheng, 2007) The culture of private enterprises is deeply influenced by the doctrine of the mean and advocates flexibility fickleness, as well as manipulative handling, which may make the management system superficial. Yu Yanfu and Luo Lanrui (2009) believe that private enterprises, under the influence of their culture, have valuable advantages such as high decision-making efficiency, flexible management mode, and strict control of costs. Private enterprises have the tendency to simply pursue short-term economic interests, and pursue "doctrine," all in line with the interests of others, and can be moved to use. Corporate culture is flexible and not sustainable.

Due to the differences in history, external environment, and development experience between MNC and private enterprises, the significant cultural differences between them have different impacts on management efficiency. Cui Ming et al. (2009) believe that in spiritual pursuit, MNCs pay attention to "selfless" love and dedication to the country while pursuing economic interests. Private enterprises pay more attention to corporate pursuits and employees' perceptions. In terms of the system, the organizational structure of MNCs has a solid cultural color in terms of administrative relationships between superiors and subordinates. Private enterprises make independent decisions and have flexible and diverse operators who can quickly respond to various risks, but their management needs to be standardized. In terms of employees, the state-owned enterprise has good welfare treatment, heavy flow management, poor self-development, personal breakthrough innovation, and execution. Private enterprises have established a robust incentive mechanism, and the employees are motivated by the culture conflict and integration research competition caused by the merger of K by M Company and have a solid executive force. Hu Sumin (2018) took 576 high-tech companies from 2009 to 2015 as research objects to explore the influence of corporate culture intensity on innovation efficiency. The research shows that there is no significant correlation between the culture of MNC and innovation efficiency, while the cultural intensity of private enterprises has a positive effect on innovation efficiency.

2.3 Cultural Conflict and integration of mergers and acquisitions

American scholar Berry (1974) believes that culture conflict is the psychological conflict and pressure when two different cultural groups communicate with each other using the cultural mode of the other. Pryce Pritchett et al. (1981) argued that conflict is a problem of perceived difference due to a state of confrontation. Mirvis and Mark (1992) believe that the culture conflict of enterprise merger and acquisition is mainly divided into four progressive stages (perception, amplification, typification, and suppression). Cultural conflict at each stage has its characteristics, and different integrated countermeasures should be adopted.

As for the causes of culture conflicts, Nahavandi and Malekzadeh (1988) believed that the business independence of the merger parties affected the intensity of culture conflicts. The business independence of the two parties is relatively high, which is unlikely to produce cultural conflict. The two parties involved will conduct cultural integration based on synergies, and the acquired party will abandon some or all of its text, so the probability of cultural conflict is relatively high. Cote and Heskett (1997) attribute culture conflict to differences in communication, structure, and personality. Communication difference means that people have different cognitions of the same cultural elements under different cultural backgrounds, and their cognition of the same cultural elements under different cultural backgrounds will be distorted in the process of transmission. Structural difference refers to the aggravation of culture conflicts caused by horizontal and vertical structural differences in corporate culture. Personality difference refers to the fact that each person has a unique growth background, education experience, and lifestyle, and there are natural differences between each other and lifestyle. Junichi (2013) believed that conflict mitigation and elimination in M&A should rely on effective communication.

On the cultural integration of M&A, Berry (1982) proposed four modes of cultural adaptation after M&A:①integration. Through the continuous infiltration of both cultures, an inclusive mixed culture has been formed.② Absorption. The acquirer replaces the original senior management of the acquiree and strongly integrates and replaces the corporate culture of the acquiree.③Separation. Due to the different corporate cultures of the two sides, , and the independence of contact between the two sides is limited, but independence between the two cultures is maintained.④Chaos. Employees who do not recognize corporate culture, behavior, and values become confused.

Birkinshaw and Bresman (2000) conducted a 5-year follow-up survey on cross-border mergers and acquisitions of three Swedish companies. Through a large number of questionnaire analyses, individual interviews, and other methods, they realized that merger and acquisition integration need to do well in the integration of tasks and people, and the benign relationship between them is the key to the success of

integration. Which mode of cultural integration should be chosen first depends on the attractiveness of the merger culture and then depends on whether the employees of the acquired party are willing to retain the original culture. Walker (1999) pointed out that the merger and integration of enterprises need the participation and guidance of a successful manager, and the core figure plays a crucial role in the integration. Rudolf (2015) pointed out that the most challenging aspect of cultural integration in M&A is the difference in management styles and organizational cultures of both parties.

Mergers and acquisitions-related culture conflicts have an impact on company performance. The majority of business leaders concur that the culture clash between the two businesses following a merger is the most significant reason for M&A failure, according to Coopers & Lybrand's analysis of 100 failed M&A cases. After carefully examining 55 M&A examples, Larseson concluded that different countries' cultures are among the main causes of M&A failure. National culture has a significant impact on corporate culture. When national cultures clash, it is not enough to think about peaceful coexistence within the business culture because employees have strong emotional ties to their national cultures, and changing them is difficult.

Cooper and Cartwright investigate the various functions of various company cultures in international merger and acquisition procedures. They believe that cultural integration is detrimental and that cultural ambiguity will make life challenging for workers and lower morale at work. In their examination of cultural adaptability, they mostly investigate business culture. Even though cross-border M&A can sometimes accommodate cultural differences, it is still crucial to take these differences into consideration.

Sheldon (1962) The performance of non-related M&A is negatively impacted, while horizontal M&A can yield enormous gains, according to a 1983 review of more than 200 M&A cases. Sheldon (1962) researched on more than 200 M&A cases conducted in 1983 revealed that while unconnected M&A has a detrimental impact on performance, horizontal M&A can have substantial positive impacts. The contrary conclusion has been reached by certain scholars, who claim that connected mergers and acquisitions are utterly immaterial and that unrelated mergers and acquisitions are preferable to related ones. Keem and his colleagues point out that despite the fact that

the large corporations in the diversity sample participate in international diversification across different business portfolios, none of these studies take the level of company internationalization into consideration. These studies emphasize how technology and business interact rather than culture. Although one of the main forces behind cross-border M&A, the relationship between technology and business is not the main factor in the success of the agreements.

Xu Huiji and Yu Shanfei (2014) believe that culture conflict refers to a kind of pressure or conflict in which different corporate cultures collide or oppose each other in the process of interaction. Lan Siyu (2019) believes that conflicts between the two parties of merger and acquisition are inevitable due to unclear property rights, operating mechanisms, and differences in cognition. Yan Pu (2014) believes that culture conflicts after merger and acquisition are reflected in four aspects: spirit, behavior, system, and material culture. Gao Fang (2014) proposed that corporate culture conflicts mainly include conflicts at the individual and organizational levels. When the acquirer applies its own corporate culture and management style to the acquirer, employees will be confused about the new management culture and self-positioning and fear the change of working mode, behavior habits, and future uncertainty. Cultural conflict at the organizational level mainly refers to the fact that employees of the acquired enterprise will stick to their original behavior habits and values with group strength, and the two different corporate cultures will confront each other at the organizational level. Zhou Yuejun and Luo Qiuming (2017) believe that corporate culture conflict is mainly manifested in three aspects: management culture conflict, corporate culture value conflict and working style conflict.

As for the causes of culture conflicts, Yao Qing (2017) pointed out that the root cause of culture conflicts in mergers and acquisitions lies in the large differences in the cultural backgrounds and connotations of the two sides; secondly, the internal stability of the cultural accumulation of the two sides rejects the corporate culture that is different from it; finally, the employees of enterprises resist the song of culture conflicts. Zhang Jiexuan (2018) believes that cultural factors have different influences at different stages of M&A. In the early stage of M&A, dominant culture can be perceived. In the period of adjustment and development after merger and acquisition, the hidden culture

conflicts such as strategy, management style and spiritual culture become prominent. He Chenggong et al. (2019) proposed that the culture conflicts of private enterprises in the merger and reorganization of MNC mainly lie in the modes of operation and values. In terms of operation mode, MNC tends to make collective decisions and execute them. Private enterprises focus on independent and rapid decision-making, clear division of labor, and strong execution. In terms of values, the operation of MNC considers both economic and social benefits, and the risk response should be based on stability and seek change while maintaining stability. Private enterprises pay more attention to financial benefits, flexible responses to various risks, and the pursuit of economic profits.

Cultural integration, Han Haibo (2017) proposed that cultural integration refers to the process of consciously integrating different corporate cultural tendencies into an organic whole. Cultural integration is a complex and lengthy process. (Yao Qing, 2017) The first stage is the preparation stage of an in-depth understanding of the two cultures, and the second stage is the collision stage after the implementation of the integration plan. The research on the culture conflict and integration of M Company's acquisition of Company K consists of the three stages of cultural integration and identification, as well as the fourth stage of the formation and solidification of the new culture. Zhang Jiesuan (2018) proposed four ways of cultural integration: leading, adapting, innovating, and blending. As for the cultural integration of MNC, Feng Zhenping (2019) believed that the problems faced by the cultural integration of the restructuring of MNC mainly include the deviation of the top-level design of corporate culture from the actual issues at the grassroots level, Failing to properly deal with the relationship between cultural unity and diversity; Cultural system construction and business activities two leather boots.

2.4 Employee Retention

Employee retention, also known as employee retention or talent retention, refers to the process by which organizations use various strategies and measures to ensure that key or valuable employees continue to stay within the company, maintain their positions,

and remain productive. This concept holds an important position in the field of human resource management because employee retention is directly related to the stability, productivity, and long-term competitiveness of an enterprise.

The concept of employee retention originated in the economic context of the early to mid-20th century, and in today's 21st-century knowledge economy, it has evolved into a key factor for the continuous development and enhancement of competitive advantage for businesses. Employee retention not only reflects employees' satisfaction with their current positions and willingness to stay but also measures the effectiveness of a company's efforts to create a supportive work environment, increase employee engagement, and maintain the stability of its workforce.

This topic has become a broad research area, with numerous studies revealing a multitude of factors that influence employee retention. From an external perspective, macro factors such as government policies, social stability, economic conditions, and market competition all impact employees' decisions to stay. Internally, factors such as compensation and benefits, job characteristics, career development opportunities, and work environment are the main internal considerations for employees when deciding whether to remain in their current positions.

Among the many studies, Medina (2012) emphasized the significant negative impact of job satisfaction on employee turnover intentions and noted that organizational culture plays a mediating role between job satisfaction and employee retention. Chen (2013) found that organizational culture has a positive impact on the retention of international talent, with employees' attitudes and values being one of the key factors affecting international talent retention. Yang (2016) further pointed out that in the early financing stage of start-ups, leadership style plays a central role in employee recruitment and retention.

In summary, employee retention is a complex, multi-dimensional issue that not only involves employees' personal career expectations and satisfaction but is also closely related to the strategic planning, cultural construction, and leadership effectiveness of an enterprise. To effectively improve employee retention rates, companies need to consider both internal and external environments comprehensively

and develop corresponding human resource strategies to attract and retain key talent, thereby promoting the sustained development and success of the enterprise.

Employee retention and employee turnover are two closely related but opposing concepts in human resource management. The goal of employee retention is to reduce employee turnover, and the occurrence of employee turnover can serve as an indicator to assess the effectiveness of employee retention strategies. Employee turnover can provide valuable feedback to companies. By analyzing the feedback and reasons for employees leaving the company, organizations can adjust and refine their employee retention strategies to better cater to the needs of their current workforce and enhance their satisfaction and loyalty. Therefore, research on employee retention requires an analysis of the factors influencing employee turnover.

Research on factors influencing employee turnover, Brown and Ghiselli (1953) concluded from an ability perspective that there is a U-shaped relationship between test scores and turnover, with employees scoring moderately on ability tests being less likely to leave; in the 1970s, Price established a turnover causal relationship model, and around 2000, collaborated with Mueller to establish the Price-Mueller model. Mitchell et al. (2001) proposed the concept of job embeddedness, introducing the relationship between job embeddedness theory and organizational external factors and non-affective factors to employee turnover into related research. Bartunek (2008) and Felps (2009) found through research that employees' negative feelings can be transformed into shared collective perceptions through processes such as emotional contagion, leading to the possibility of other employees leaving. Deng Jingsong and Liu Xiaoping (2019) found through research that turnover is group-based, and the behavior of employees who have left can invisibly lead to an increase in the turnover tendency of those who have not left. Zhang Gaoqi (2019) found that organizational culture plays a moderating role in employee turnover. Yang Shiyu (2021) found that benevolent leadership can reduce employee turnover behavior, and generational mismatch has the greatest impact on the turnover of younger employees under the leadership of the older generation.

Yang Ying (2007) in "How Enterprises Retain Core Employees" proposed some practical views on approaching from long-term talent planning. The management system must be standardized to reduce the damage to talent retention. Jiang Bo (2010)

proposed the view that "employee compensation incentives show significant differences in gender and age, and there should also be differences in compensation for different job natures." It is suggested to implement personalized compensation incentive plans to ensure the best incentive effects. On this basis, the construction of a family culture is particularly prominent, strengthening employees' sense of belonging through emotions, and enterprises value incentives for core employees to cope with competition and break through difficulties. Yang Jianguo (2010) sorted out the theories of employee turnover by domestic and foreign scholars, and investigated the reasons for the departure of technical employees in Company E from various aspects such as job nature, workload, employee training, career development, company management, compensation and benefits, interpersonal relationships, and work environment. The main reasons for the departure of technical employees were found to be the lack of transparency in the competition mechanism, an imperfect job scoring system; an unreasonable compensation system; impractical training content, an imperfect training system; an imperfect company management system; and a weak corporate culture. Based on this, strategies to reduce the departure of technical employees include focusing on employee career planning, improving the compensation management system, redesigning employee work, establishing a corporate culture, strengthening turnover prevention measures, and post-turnover management, enriching the research on the reasons for the departure of technical employees in foreign-funded enterprises.

Wang Shaohui (2011) in "Employee Retention and Compensation, Corporate Culture" pointed out that in the context of fierce talent competition and rapid turnover, the cost of talent retention and human resources for companies is constantly increasing. Employees' focus has shifted from initial cash compensation to personal career development, benefits, respect and recognition, a sense of achievement at work, work-life balance, personal value realization, and a sense of security and stability. It is necessary to pay more attention to non-monetary rewards, and corporate culture is an important topic for non-monetary incentives.

Gao Fengyan (2014) in "The Importance of Corporate Culture in Retaining Talent" conducted a detailed analysis of the current situation of talent construction at Fujian Southeast Shipyard and proposed the view and measures of "relying on corporate

culture to retain talent." In a comprehensive analysis of the increasingly fierce competition for talent in enterprises, it is suggested to deepen corporate culture into the hearts of employees, further enhance their sense of belonging and loyalty. Only by strengthening the cohesion and centripetal force of the entire corporate team can the core competitiveness of the enterprise be enhanced.

Jiang Jiachen (2016) in "A Brief Discussion on Employee Retention Strategy" proposed that the implementation of employee retention by enterprises is an important support for enterprise development. In a three-year survey on employee turnover, it was found that the first reason for employees to choose to leave was the discord with middle management and disagreement with management methods. The second main reason was that employees felt that their efforts at work could not be recognized and paid attention to. He proposed that enterprises should truly respect employees' feelings, enhance their satisfaction, and establish a harmonious corporate culture.

Wang Xuran (2019) found in his study of personal factors affecting employee turnover that personal ability, job choice, interpersonal relationship handling ability at work, and work-family relationships all affect employees' decisions to leave; organizational factors such as outdated management concepts (employees passively work, high-pressure management), unfair compensation and benefits (enthusiasm depends on the sense of fairness in distribution, the reasonableness after comparison), incomplete incentive mechanisms, lack of feedback mechanisms, and limited direct communication all contribute to employee turnover to some extent; as external factors, national policies and economic policies also play a role.

Although there are many domestic and foreign research results on employee retention and employee turnover, there are few research results on employee retention in medical companies based on the background of mergers of different natures. This article intends to conduct micro-specific research in this area to solve practical problems.

2.5 Literature integration analysis

The research on corporate culture conflict in China is still in its infancy. The existing research mainly focuses on the following aspects: the expression of corporate

culture, the formation process, and the promotion and retardation of corporate development; the impact of corporate culture on the company's operating performance; the expression form and cause of corporate culture conflict; the ways, methods, and implementation steps of the integration of corporate culture conflict. Most of the research results basically stay at the level of theoretical elaboration, but enterprises are constantly developing and changing and are affected by the macro environment, industry conditions, competitors, and other aspects. The universal theoretical interpretation may ignore the characteristics of enterprises in different industries, and there is no focus and no target in the specific implementation. So, this paper will try to combine the specific merger and acquisition cases in the medical industry from a quantitative perspective to explore the focus of corporate merger and acquisition culture conflict.

The majority of research findings center on how corporate culture affects an organization's ability to survive and grow, but the enterprise's characteristics, industrial characteristics, and other aspects influence the effect of corporate culture, and the focus, form, and intensity of culture conflicts caused by different mergers and acquisitions of enterprises are different. Therefore, in this paper, as the study's focus, giant MNCs in the medical sector and the acquisition of small and medium-sized private businesses, thoroughtly combined with the long-term corporate culture of MNC and private enterprises, research quantitative analysis of the focus of conflict and put forward specific measures, which can provide a reference for similar enterprise mergers and acquisitions.

Chapter 3 Research Design

3.1 Variables and questionnaire design

3.1.1 A brief introduction of Company M and Company K

This paper takes the integration of culture conflict between foreign-owned enterprise M Company and Company K as the research object to explore the focus of corporate culture conflict.

Company M, which is a US-based MNC company, has a business scope that includes three business groups: cardiac business, surgical business, orthopedic business, etc.

We will research the high growth plan with a particular emphasis on the healthcare group's worldwide strategies and the primary challenges they must face. To broaden their product offering and increase their market share, they purchased local Chinese players.

Company K, established in 1997, specialized in orthopedics, including spine, trauma, and interventional, and possessed the most advanced technology in China. The IPO took place in 2009 on the New York Stock Exchange. Company M discovered that Company K could assist them in expanding their portfolio and, in particular, in enhancing their value segment product line. After M&A, business M aims to introduce its twin brand strategy in China simultaneously.

Variable design

On this basis, this paper will further explore the factors that influence cultural integration. In order to carry out empirical analysis, this paper will define the connotation of variables involved in the research.

(1) Identification of culture conflict factors.

The most popular view of the "four layers of corporate culture" proposed by Liu Guangming (2002): material culture, spiritual culture, institutional culture, and behavioral culture. Therefore, the text divides corporate culture conflicts from the above four dimensions to study the focus of culture conflicts in the process of MNC's merger and acquisition of private enterprises.

①Material culture conflict

Material culture is in the outer layer of corporate culture, including products, packaging, advertising, machinery and equipment, and other physical forms. After merger and acquisition, enterprises inevitably adjust the original strategic layout and put forward new product marketing strategies. Currently, a conflict exists between the new and old material cultures. Material culture conflict is a very intuitive and easy-to-perceive conflict.

②Behavioral culture conflict

Behavioral culture is formed in the daily work and entertainment process of employees, which is reflected in the aspects of operation management, cultural publicity, communication coordination, and so on. It includes leadership behavior, employee behavior, and management behavior. If employees cannot reach a consensus or identify with the enterprise spirit, enterprise system, material culture, and other aspects of the merger enterprise, then the culture conflict between enterprises will be manifested as the disharmony of employees' behaviors.

③Institutional culture conflict

System culture refers to the laws and regulations, management, production, and operation system formulated by an enterprise in order to achieve its business objectives smoothly. After an enterprise is acquired, its original management system will be modified and adjusted due to the change in target strategy. Both employees and management should adapt to the new system culture and abandon the original system culture they have adapted to and gotten used to. At this time, there will be a conflict between the old and new system culture.

④Spiritual and cultural conflict

The core of corporate culture is spiritual culture, which refers to the collection of corporate values, business philosophy, enterprise spirit, and many other ideologies. Once the spiritual culture is accepted by employees, it will be stable and challenging to change. If there are significant differences and gaps in the spiritual and cultural aspects of the enterprise culture of the two sides of the merger, there will be solid conflicts and

confrontations in the process of the merger, and such conflicts will break down the spiritual support of employees.

(2) Intensity of culture conflict.

Cultural conflict refers to the collision, confrontation, and competition when different cultures contact and communicate with each other in the process of merger and acquisition. According to Lewin's theory of quasi-stationary equilibrium (1951), behavior is the result of the dynamic action of opposite forces, and the forces are directional and strong. The equilibrium constructed by weak forces (low-pressure system) is different from the equilibrium constructed by strong forces. Under a low-pressure system, corporate culture is more flexible and adaptable to environmental changes, and the level of conflict is lower that than under a high-pressure system. Corporate cultures in high-stress systems are often rigid, stubborn, and prone to intense debate, with a high level of conflict. MNC and local enterprises belong to high-pressure system culture and low-pressure system culture, and the level of cultural conflict between them may be different. Song Yun (2006) believed that the intensity of culture conflict was manifested in employees' resistance actions on the one hand and embodied in employees' ideological boots on the other.

3.1.2 Questionnaire Design

In accordance with the research objectives and hypotheses, this paper has designed a total of two questionnaires. Questionnaire 1focuses on the factors and intensity of corporate cultural conflicts. Questionnaire 2 is concerned with the individual's perception of cultural conflicts.

The questionnaire 1 includes three scales: the identification of factors of corporate culture conflict, the intensity of culture conflict, and the factors influencing cultural integration. The scale is designed using the Likert five-level scale method. These survey scales entirely refer to the research results of the evaluation of corporate culture conflict and integration in the existing literature. Therefore, the survey scale is highly reliable and has a solid theoretical basis.

(1)Identification of cultural conflict factors

The culture conflict factor identification scale was designed by referring to the enterprise culture index scale of Wang Shifa (2006), which was divided into four aspects: behavioral, spiritual, institutional, and material culture conflict. The spiritual culture conflict included nine issues of corporate vision, values, and enterprise spirit. Behavioral culture conflict consists of 13 problems of leadership behavior, employee behavior, and management behavior conflict. Material culture conflict includes five issues: image communication, corporate identity, and advertising. Institutional culture conflict consists of 14 problems of management systems, organization, information communication, and incentive systems.

(2) Intensity of culture conflict

This paper refers to the measurement of corporate culture conflict by Song Yun (2006) and Luo Fan (2001) and designs a scale containing several questions from the individual level to the organizational level, including employees do not obey the orders of superiors; Employees' enthusiasm for work decreased; Employees of both organizations do not trust each other; The conflict between the two sides is sharp, and the impact is immense; The frequency of departmental functional conflicts; The phenomenon of group centralism after merger and acquisition is serious.

The questionnaire 2 is designed to provide an in-depth analysis of talent retention following mergers and acquisitions involving multinational corporations. It comprehensively covers various aspects, including the basic demographic and employment details of the staff, reasons for talent attrition post-acquisition, internal management practices within the company, the impact of talent loss on the organization, and employee perspectives on potential improvement measures. The survey is structured to ensure a thorough understanding of the effects of mergers and acquisitions on employee retention.

Based on extensive literature review and theoretical research, the questionnaire 2 is crafted to address the subject matter with scientific rigor and practical relevance. Participation in the survey is encouraged to offer honest and reflective responses, contributing to the precision and depth of the study. The insights gained from the survey are expected to serve as a valuable reference for formulating targeted strategies to enhance talent retention in the wake of corporate mergers and acquisitions.

3.2 Questionnaire survey

The questionnaire 1 takes the integration of the culture conflict between the merger enterprise and the merger enterprise as the research object to explore the focus of the corporate culture conflict. In order to ensure the efficiency and effect of this study, sample objects of the questionnaire survey are divided into two parts: 1. The questionnaire was sent to some resigned employees of K Company after M&A through the WeChat group. 2. After communication and coordination, the questionnaire was supported by the senior leaders of M company. The human resource management department took the lead in organizing some employees of the former K Company to answer the questionnaire and gave small gifts to the employees to show their gratitude. A total of 180 copies of this questionnaire were sent out, and 145 valid questionnaires were collected. Finally, I organized the original questionnaire data into SPSS data format for analysis.

This questionnaire consists of four parts: 20 single-choice questions and 55 scale questions. The scale questions adopt a five-level scoring method. The first part of the questions from "completely inconsistent" to "very consistent" is successively 1-5 points, and the second part from "very not obvious" to "very obvious" is successively 1-5 points.

The specific variables and topic distribution are as follows:

Table 3-1 The Specific Variables and Topic Distribution

Variable factor (main dimension)	Subdimension	measurement instrument	literature review	Title	Hypotheses
Culture conflict factor	Material culture conflict	Questionnaire survey:Scale (Likert five-level scale method)	1. Liu Guangming, (2002) Corporate Culture [M]. Beijing: Economic Management Press, 132-133. 2. Wang Shifa. (2006). Research on the Culture Evaluation	Q30 ~Q34, includes image communication, corporate identity, advertising 4 issues	Culture conflicts in M&A mainly focus on behavior, material, spirit and system conflicts. The four factors are also
	Spiritual and culture conflict			Q8~Q16, includes the company vision, values and enterprise spirit of 9 questions	

47

			System of Private Enterprises [J]. Journal of Changchun University of Science and Technology, 19 (5) : 24-26.	Q35~Q48 includes 14 questions about management system, organization, information communication and incentive system	positively correlated with each other.
	Institutional culture conflict				
	Behavioral culture conflict			Q17~Q29, includes 14 problems of leadership behavior, employee behavior and management behavior conflict	
Intensity of culture conflict			1.Song Yun. (2006). An empirical study on the Impact of culture conflict and acculturation on M&A performance [J]. Science and Technology Management Research, 26 (9) : 93-97. 2. Luo Fan. (2001) Analysis on the Questionnaire Survey of Chinese Enterprise Organization Conflict [J]. Journal of Wuhan University of Technology, ,23 (2) : 52-63.	Q49~Q62, designs a scale containing 14 questions from the individual level to the organizational level, including: employees do not obey the orders of superiors: employees work actively; The employees of the merger and acquisition company and the company to be acquired do not trust each other: the conflict touched is sharp, the impact is large; Frequency of departmental functional conflicts: group centralism is serious after merger and acquisition	Four types of culture conflicts have a significant impact on the level of culture conflicts.

The primary purpose of Questionnaire 2 is to explore and determine the cultural conflict factors affecting employee retention and the effective measures to mitigate talent loss following the merger and acquisition of multinational medical equipment companies.

The preferred options are combined into the following dimensions:

Basic personnel information（Q1-Q8）

Explore factors for employee loss after company mergers and acquisitions （Q9-Q13）

Investigation of the cultural integration measures taken after corporate mergers （Q14-Q20）

The processing method for Questionnaire 2 involves analyzing the responses to identify key cultural conflict factors that influence employee retention and to evaluate the effectiveness of various strategies aimed at reducing talent loss after mergers and acquisitions within multinational medical equipment corporations.

At this stage, IBM SPSS Statistics 27 was utilized, with a primary focus on employing Chi-Square Tests and Logistic Regression Analysis for data processing and statistical analysis.

The multiple response- nonparametric test- Chi-square analysis method was used to verify whether there were significant differences between reasons for resignation and reasons for talent loss since the questionnaire items were multiple-choice.

The multiple response- cross-tabulation- Chi-square test was used to verify whether there were significant differences in reasons for resignation and reasons for talent loss among different groups, as the questionnaire items included both multiple-choice and single-choice questions.

The Chi-square test was used to examine the differences between groups in their perceptions of post-merger corporate integration measures and measures to improve talent loss.

Logistic regression analysis was used to verify the complex relationships between various factors and resignation.

Chapter 4 Empirical analysis

4.1 Descriptive statistics

Goal: Explore the basic background of the sample

Table 4-1 Frequency Analysis Results

name	option	Frequency	percentage (%)	cumulative percentage (%)
Gender	male	73	50.34	50.34
	female	72	49.66	100.00
Age	Under 30 years old	1	0.69	0.69
	31-40 years old	92	63.45	64.14
	41-50 years old	49	33.79	97.93
	Over 50 years old	3	2.07	100.00
Education background	Below high school	1	0.69	0.69
	High school/technical secondary school	8	5.52	6.21
	Junior college or university	94	64.83	71.03
	Postgraduate or above	42	28.97	100.00
Length of Service	3-5 years	2	1.38	1.38
	5-10 years	27	18.62	20.00
	More than 10 years	116	80.00	100.00
Position	specialist	33	22.76	22.76
	Manager/Senior Manager	101	69.66	92.41
	Director/Senior Director	10	6.90	99.31
	Vice President and above	1	0.69	100.00
Industry	Pharmaceutical industry	105	72.41	72.41
	Non-pharmaceutical industry	40	27.59	100.00
	total	145	100.0	100.0

Conclusion: From the perspective of gender, more than 50% of the sample is "male". From the age distribution, most samples are "31-40 years old"; the proportion is 63.45%. And 33.79% of the sample was "41-50 years old". In terms of length of service, there are relatively "more than 10 years" in the sample, accounting for 80%. From the distribution of education background, most of the samples are "junior college or university", accounting for 64.83%. From the perspective of job distribution, most of the samples belong to middle and high-level enterprises, including "manager/senior manager", director/senior director, "and vice president or above", with a total of 112.0, accounting for 77.24%.

4.2 Data reliability and validity analysis

The reliability and validity of all scale questions of questionnaire data Q8~Q62 are tested in the following aspects. The degree of consistency of analysis data, referred to as reliability, reflects the relationship among survey questions. It is used to test whether various questions are homogeneous or not. Cronbach's Alpha coefficient was often used in reliability test to measure the consistency of analytical data. More than 0.7, Cronbach's Alpha coefficient indicates that the sample data passes the reliability test. Validity is the degree to which survey findings may accurately represent the subject matter under investigation. The validity would be higher or lower depending on how well the survey results match the subject matter under investigation. Factor analysis is used to test the validity of questionnaire data. KMO big hand 0.9, improper suitable: 0.7-0.9 suitable: 0.6-0.7 more suitable; Not suitable between 0.6 and 0.5: Give up below 0.5. Bartlett sphericity test values are used to test whether the correlation coefficients between items are good. If the correlation coefficients are significant (i.e., sig.<0.05), it is suitable for factor analysis.

Table 4-2 Reliability Analysis

Cronbach's α coefficient	Standardized Cronbach's α coefficient	Number of terms	Sample number

0.945	0.948	55	145

Figure 4-1 Standard Cronbach's α and Cronbach's α

Conclusion: The Cronbach's α coefficient of the model is 0.945, higher than 0.9, indicating high reliability of the research data.

Table 4-3 KMO Test and Bartlett Test

KMO test and Bartlett test		
KMO value		0.938
Bartlett sphericity test	Approximate chi-square	6919.249
	df	1485.000
	p	0.000 * * *

Note: ***, ** and * represent the significance level of 1%, 5% and 10% respectively

Conclusion: The KMO test findings indicate that the value of KMO is 0.938, the study data is excellent for information extraction, and the validity is excellent on both

sides. In addition, the results of the Bartlett sphericity test demonstrate that there is a correlation between the variables, factor analysis is successful, and the degree of fit, with a significance P value of 0.000***, rejecting the null hypothesis.

4.3 Correlation analysis of culture conflicts

Goal: Explore the influencing factors and correlation degree of various culture conflicts on the level of culture conflicts and screen the factors included in the equation before regression.

Dependent variable: Q49~Q62 culture conflict intensity level

Independent variable: Q8~Q48 Subdivision of four dimensions of culture conflict (spirit, behavior, material, and system)

Table 4-4 Correlation Analysis of Variables

		Spiritual and culture conflict	Behavioral culture conflict	Material culture conflict	Institutional culture conflict	Intensity of culture conflict
Spiritual and culture conflict	Correlation coefficient	1	927 * *	766 * *	912 * *	- 366 * *
	significance		000.	000.	000.	000.
Behavioral culture conflict	Correlation coefficient	927 * *	1	804 * *	917 * *	- 425 * *
	significance	0		000.	000.	000.
Material culture conflict	Correlation coefficient	766 * *	804 * *	1	780 * *	- 421 * *
	significance	000.	000.		000.	000.
Institutional culture conflict	Correlation coefficient	912 * *	917 * *	780 * *	1	- 419 * *
	significance	000.	000.	000.		000.
Intensity of culture conflict	Correlation coefficient	- 366 * *	- 425 * *	- 421 * *	- 419 * *	1
	significance	000.	000.	000.	000.	

Conclusion: Correlation results show that the dimensions of spiritual culture conflict, behavioral culture conflict, material culture conflict, and institutional culture conflict present moderate to strong positive correlation, and the correlation is statistically significant, which is consistent with the research hypothesis. The correlation results of the intensity of culture conflict show that the intensity of cultural conflict presents a moderate negative correlation with the above culture conflicts of all dimensions, and the correlation is statistically significant, which conforms to the research hypothesis and internal logic.

4.4 Regression Analysis of culture conflict

Method:Incorporating sociodemographic factors and employees' comprehensive evaluation of cultural integration

Dependent variable:Q49~Q62 culture conflict intensity level.

Independent variables: Q1 ~ Q7 social demographic factors.

Q8~Q48 Subdivision of four dimensions of culture conflict (spirit, behavior, material, and system).

Q63 ~ Q75 Employees' evaluation of cultural integration.

Regression method: The included independent variables are screened to use Stepwise multiple regression.

Table 4-5 Abstract of Regression Analysis Model

model	R squared after adjustment	Error in standard estimates	ANOVA		Durbin Watson
			Change in F	Change in significance F	
1	397.	68698.	3.917	.05	1.801

Conclusion: The stepwise regression method is used to screen the independent variables. The results show that gender, behavioral culture conflict, material culture conflict, Q64, Q68, Q69, and Q75 are the independent variables, and the intensity of culture conflict is the dependent variable. The change of regression model F is statistically significant and less than 0.05, and the adjusted R square is 0.397. It states that the independent variable explained 39.7% of the variation.

Table 4-6 Model Regression Results

	Unstandar-dized coefficient		Standardization coefficient		Significa-nce	Collinear statistics	
	B	Standard error	Beta			tolerance	VIF
(constant)	5.813	0.445		13.07	0.000		
gender	0.409	0.115	0.232	3.572	0.000	0.991	1.009
Behavioral culture conflict	0.278	0.119	0.267	2.33	0.021	0.319	3.133
Material culture conflict	0.221	0.111	0.224	1.979	0.05	0.326	3.065
Q64	0.329	0.123	0.177	2.667	0.009	0.948	1.055
Q68	0.176	0.061	0.19	2.87	0.005	0.952	1.05
Q69	0.195	0.055	0.232	3.555	0.001	0.984	1.016
Q75	0.11	0.04	0.186	2.759	0.007	0.924	1.083

The regression results of the model show that the variance inflation factor VIF is less than 10, indicating that there is no apparent collinearity between the independent variables.

(1) Among the socio-demographic factors, gender is the factor that affects the intensity of cultural conflict ($P < 0.001$). That is, the intensity of cultural conflict is higher in the female group.

(2) Among the four factors of cultural conflict, behavioral and material culture conflict have a significant impact on the intensity of cultural conflict ($P \leq 0.05$). The higher the satisfaction of behavioral culture conflict, the lower the intensity of cultural conflict after combination. The higher the satisfaction of material culture conflict, the lower the intensity of cultural conflict after a merger. However, the spiritual and institutional culture conflicts have no significant influence on the results.

(3) In the evaluation factors of employees on cultural integration, Q64 (whether they have received cultural sensitivity training or similar training), Q68 (choice of cultural integration mode), Q69 (employees of both sides of the merger hold attitudes to mode choice) and Q75 (attitude towards the results achieved in cultural integration) have a significant influence on the intensity of cultural conflict ($P < 0.05$). The results show that employees who receive cultural sensitivity training or similar training experienced a lower intensity of cultural conflict after the merger. The higher the intensity of cultural conflict， the less satisfied the employees are with the cultural

integration mode adopted by the company after the merger. The higher the employees' evaluation of the effect of cultural integration, the lower the intensity of cultural conflict after the merger.

To sum up, cultural conflicts in the sample M&A enterprises in the questionnaire survey mainly focus on behavioral culture conflicts and material culture conflicts, among which behavioral culture conflicts are the most significant. Leadership behavior, employee conduct, management behavior, and interpersonal relationships develop during long-term production. The operation process of the company is the major component of corporate behavior culture. Therefore, the outbreak of conflicts is reflected in the failure of the leadership to adapt to the corporate culture, the estrangement and misunderstanding between the leadership and employees, and between employers and employees. At the same time, corporate culture propaganda, image communication, and corporate logos represented by material cultural conflict also have a certain influence. As the formation and integration of corporate culture cannot be accomplished at one blow, it is gradually formed through long-term work, life, and education. Enterprises lack cultural publicity and employees lack long-term education and training related to cultural integration. As a result, cultural conflicts gradually emerge due to their dismissive attitude towards the mode of cultural integration. It begins to influence the effect of cultural integration and even the business activities of enterprises.

Conclusion：

Conflicts are manifested in the following aspects for employees: First of all, the conflict between the old employees and the newcomers of Company K have a deep-rooted sense of belonging to the company in their long-term work; meanwhile, they would unconsciously have inexplicable resistance to any outside world. Therefore, there is a natural conflict between employees after the merger. Secondly, as a private enterprise, company K Medical's special growth background and competitive environment enable its employees to be proactive, bold in action, quick in thinking, flexible and resourceful, and brave in the face of adversity. At that time, employees of K Medical also showed negative aspects, such as asking questions later with highly

speculative instead of immediately. Private communication between employees is frequent, and "business personal" is a noticeable phenomenon. Employees of MNC generally handle affairs with rules, regulations, and procedures and have less personal contact with each other. Employees with two cultural backgrounds do not understand their own ways of behavior when working in the same enterprise and even have verbal conflicts. After the merger and acquisition, company M adjusted the personnel, financial, and operation systems of Company K, and the working environment was changed, which employees were used to being familiar with. During this period, there was a lack of effective publicity and training, and employees felt very unadaptable and helpless to change the working environment. Some employees with poor adaptability even resigned directly to fight against the changing working environment.

Company K has gradually formed a set of corporate cultures suitable for enterprise development in the long-term operation process, including material, behavior, spirit, and culture. Although the regression model shows that the focus of culture conflict in M company's acquisition of Company K at the current stage is behavioral culture conflict, behavioral culture conflict is not isolated but inextricably linked with other culture conflicts.

This paper adopts the fourfold method of corporate culture, and the four are evolving from the inside out. Among them, spiritual culture is the core of corporate culture. Once it is recognized and accepted by employees, it will be the most stable, and the effect will be very malleable. System culture is further extended by spiritual culture, which mainly refers to a list of rules, processes, and arrangements for maintaining orderly production and management activities of an enterprise. In the implementation of the system, employees will produce a series of behaviors, habits, thinking awareness, interpersonal relations, etc., which belong to the secondary explicit layer of corporate culture. Therefore, behavioral culture conflicts are usually easy to be noticed. Finally, the material culture of the enterprise lies on the surface of the enterprise culture, including the enterprise environment, products, plant construction, cultural facilities, and so on. From the relationship between the four aspects of corporate culture, it can be seen that corporate behavior culture conflict is only a concentrated outbreak point of conflict, which is deeply affected by spiritual and institutional cultural conflicts. In the

corporate restructuring event of M's merger with K, it can be seen from the corporate introduction, merger process, and post-merger institutional adjustment of the two parties that there are significant differences in corporate mission, core culture, and main system.

Relying on the strong financial strength of M Group, M company rapidly expands through the acquisition of many small and medium-sized medical distribution enterprises. However, it is difficult for many enterprises with different backgrounds and development histories to form cohesive business concepts and values in a short period. M company adheres to the values of "integrity, humanism, innovation and development". On the one hand, this value highlights the social responsibility of M company as a state-owned enterprise; on the other hand, the guiding role of this value on operation and management is unclear. K has been pursuing the business philosophy of "One step faster than one hundred steps" for many years, flexibly and quickly responding to the drastic changes in the market environment, taking "customer first, integrity first" as the core value of the enterprise, further sublimating the business philosophy of "one step faster than one hundred steps," giving full recognition to the core value of the enterprise, and aiming at the customers it serves. The two corporate cultures are completely different, and post-purchase spiritual culture conflict is inevitable but not highlighted.

As a large state-owned enterprise, M Company has a profound management foundation and system accumulation. It has a standard financial reporting system and unified financial accounting system, highly informationized operation management system, and a scientific personnel management system. However, K Medical, which was started from scratch, had no foundation. It struggled through the fierce market competition by itself and attacked the target market with flexible and rapid response ability without any attention to system construction. Therefore, K's system foundation was weak and seriously lagged. Company K's financial accounting remains at the manual level, accounting of financial results is inaccurate, and management data lacks timeliness. The financial reimbursement process is not clear; all kinds of expenses are reported at sight, especially the business personnel, in the name of maintaining the customer's relationship with the false reimbursement of personal consumption, which is

repeatedly forbidden. There is no unified and standardized personnel management system, and most of the hired employees are introduced by friends or nepotism, with close personal relationships between employees. The employee compensation system consists of low base salary and high-performance bonuses. Performance appraisal is based on "performance," and the comprehensive income of employees is in the upper middle level of the city. Under this salary structure and performance evaluation standard, employees have enough initiative to maintain the existing varieties and develop new varieties through various means.

M and K differ significantly in the degree of institutional soundness and standard level. After the merger and acquisition, the system cultural integration of injection made K replace the original system of its system and then fully implement the M company's personnel, finance, and operation system. The change in the institutional environment will have a massive impact on employee behavior. For example, due to the limitations of their own quality and knowledge level, employees cannot adapt to the operation system of informatization and feel helpless to the institutional change. The other party's process-based operation system is slow to respond to the temporary medical distribution requirements, which may result in the delayed distribution of drugs urgently needed by customers due to the approval process. The restriction of each link made the staff work with low efficiency, and the enthusiasm of the work was hit. More importantly, after the merger and acquisition, in order to show fairness and avoid a large increase in labor costs, M company changed the salary system of Company K to a regular basic salary plus a low-performance bonus, the salary of employees in the original functional departments was increased, and the salary of sales staff in the front line was increased and actually decreased. The performance evaluation standards were not uniform and lacked openness and transparency. Nobody realized it. Even mergers and acquisitions during the suspension of staff bonuses have been shelved. This has caused great dissatisfaction among employees who have always been paid based on their performance. Some employees have the negative feeling that "working more or less is the same", and even some employees resign directly due to dissatisfaction with salary.

To sum up, the cultural conflicts after M company's acquisition of Company K focus on the behavioral culture conflict. It is mainly manifested in explicit aspects such

as the failure of the corporate leadership to adapt to the corporate culture, the estrangement between the leadership and employees, the conflicts among employees, and the confusion of employees regarding the changes in the working environment. However, deep spiritual and institutional culture conflicts subtly promote the concentrated outbreak of behavioral culture conflicts.

4.5 Problems in Cultural Integration

Through the above regression analysis of the level of corporate culture conflict, it can be seen that the focus of culture conflict after M company's acquisition of Company K is behavioral culture conflict. Behavioral culture conflict is deeply influenced by spiritual culture conflict and institutional culture conflict. If the cultural integration after the merger only focuses on the integration of behavioral cultural conflicts, it is likely to be "treating the symptoms rather than the root cause" and cannot get a good cultural integration effect. In order to determine the current issues with cultural integration following the merger, this thesis conducts a questionnaire survey and interview with K's employees and management while consulting previous research literature about behavioral cultural conflict, the merger process, cultural integration techniques, and so forth.

4.5.1 Difficulty in implementing cultural integration.

After the acquisition of K, M company held frequent leadership meetings to propose various beautiful visions for future development, such as "Never forget the original intention, remember the mission," and so on, forming a set of "hollowing out" corporate culture texts. However, the cultural core- spiritual culture- spiritual culture- spiritual culture- is not just a slogan. It needs to adapt to the market competition environment, conform to the current and future development plan of the enterprise, and be recognized by all employees and internalized in the consciousness, behavior, and attitude of employees. The interview also found that the existing cultural integration measures mostly stay in the material layer, such as office adjustment and decoration after the merger and acquisition, and setting up staff leisure activities room. Party

members actively participate in national poverty alleviation projects and organize young employees to offer love to nursing homes to improve the company's image. The integration of material culture is one aspect of cultural integration, but it belongs to the explicit level of culture, which can only ease the cultural conflict of merger and acquisition superficially but cannot solve the fundamental problem. Some seemingly complete and scientific rules and regulations have been added to the system, such as a financial accounting and reimbursement system, intelligent warehouse management system, personnel assessment and promotion system, etc. Company K's unique development process leads to the limited quality, knowledge, and cultural level of its employees, weak institutional foundation, and backward management. After the merger and acquisition, the seemingly scientific and advanced management system puts employees at a loss.

4.5.2 *Single mode of cultural integration*

Based on interviews and questionnaires, cultural integration mode has an important impact on the effect of post-merger cultural integration. At present, with the increasing communication opportunities between enterprises, employees are accustomed to the existence of multicultural culture. In the survey, 63% of people believe that multicultural cultures can learn from each other and develop together. 15.6% of people believe that diverse cultures can coexist without interference; 21.4% of people believe that conflicts between different cultures will result in restrictions on enterprise development. However, M company decisively chose the injection cultural integration mode when it acquired K Medical, grafting its value orientation of upholding integrity and being brave enough to take responsibility to K Medical, and basically implementing various systems of M company to K Medical. As a private enterprise with fast development speed and excellent performance in this city, K Medical has no redeemable points. Through individual interviews with middle and senior managers, it was found that M&A is particularly fond of the injection cultural integration mode, which is often based on a subjective thinking set rather than strategic planning, market competition, resource allocation, and other considerations. Firstly, cultural superiority.

The long history of MNC development and scientific and standardized management systems give them cultural advantages. They hope to use their own culture to shape the new culture of the enterprises after a merger, and secondly, management inertia. In the process of long-term development and accumulation, the culture of the acquirer becomes its own body and ADAPTS to the development, planning, operation, and management of the enterprise. The managers are familiar with adapting to the existing corporate culture and can better cope with various events under the existing corporate culture. If the culture of the acquirer is injected into the acquirer, the culture of both sides can be kept in step to prevent the uncontrolled changes in corporate culture from having adverse effects on management. It can be seen that in the practice of cultural integration, in many cases, the superiority of "capital" and self-protection consciousness far outweigh the consideration of other factors.

4.5.3   Leadership plays a key role in cultural integration

Cultural integration is systematic work that requires leadership to take the lead in research, deployment, and implementation. However, during the merger of M and K, the leaders did not pay enough attention to the differences between corporate culture and integration. Specifically, in the questionnaire, 45.6% of the respondents believed that the acquirer had not conducted a cultural review and evaluation of the target company. When asked whether you and your colleagues have received cultural sensitivity training or similar educational and cultural training in the process of cultural integration, 78.6% chose "no". Only 15.2% of respondents chose "yes", and 61.3% answered "no" to the question of whether the company has specifically assigned someone to take charge of the cultural integration of the system. In the answer to "Do you think the senior leaders of your company attach great importance to cultural integration?", 3.9% of them choose "very little importance", 38.6% chose "not much importance", 26.3% thought "basically importance", 18.4% thought "relatively importance" and 12.8% chose "very importance". When asked "Do you want your enterprise to adopt fast integration or slow integration", 76.3% of people chose "fast integration" and only 23.7% chose "slow integration". It can be seen that most

employees hope the enterprise can complete the cultural integration as soon as possible and do not like to delay and procrastinate, which is consistent with people's aversion to uncertainty. Employees will adjust to the new working environment more quickly if integration is sped up. Employees also expect the organization to quickly abide by the commitments established during the merger process.

It can be found from the interviews with middle and senior managers that there are mainly three main reasons why the leadership ignores the cultural differences between the two sides of the merger and pays no attention to cultural integration. Firstly, the enterprise belongs to the ideological content, cannot be seen to touch, and is difficult to grasp. Moreover, the integration of corporate culture is more complex, and the effect of M&A performance cannot be seen immediately. It is less attractive than stock price and profit for leaders. Secondly, managers do not have a clear understanding of the importance of corporate culture and believe that both sides can carry out mergers and acquisitions as long as they realize complementary advantages in development strategy, resources, market, and other aspects. As for the cultural differences between enterprises, they will naturally be solved in later operations and management practices. The leadership, particularly in horizontal integration mergers and acquisitions, unconsciously recognizes the similarities between the two cultures, believing that the two sides belong to the same industry and that the cultural differences in operation and management won't be too large. Lastly, the leadership lacks the knowledge and capabilities necessary for cultural fusion. The coordination and integration of different corporate cultures is far more complex than the simple construction of corporate culture, which requires higher management requirements in cultural recognition, interpersonal relationship processing, emotional resonance, coordinated behavior, and other aspects. After the merger and acquisition, the deputy general manager of the head office was parachuted into the general manager of K Medical. On the one hand, the new management lacked due attention to the field of cultural integration. On the other hand, limited by management experience and personal quality, they paid more than enough attention to the issue of cultural integration and, to some extent, avoided the cultural issues after the merger. The final result is that the enterprise merger and acquisition cultural integration action drags, and the progress is slow.

4.5.4 Low employee participation

Because corporate culture is reflected in the values and codes of conduct of all employees, cultural integration cannot be separated from the recognition and effective implementation of employees. However, the questionnaire found that in the cultural integration of M's merger and acquisition of K Medical, employees had low participation and lack of enthusiasm. In terms of "to what extent do you participate in the cultural integration after the merger?" 13% indicated no participation at all, 36% indicated no participation at all, 21% indicated little involvement, 19% indicated more involvement, and 11% indicated complete involvement.

Through interviews and surveys, the reasons for low employee participation in the integration of corporate culture are mainly reflected in the following three aspects. Firstly, although employees play a dominant role in the integration of corporate culture, Chinese enterprises develop under unique historical background, especially in the early stage of the development of private enterprises. The market insight, decision-making power and enterprising spirit of the boss or leader are crucial for the development of enterprises. In this context, the culture of many enterprises is embodied as "leadership culture" and "individual heroism". Leaders play a dominant role in cultural construction, and their personal style, attitude toward work and interpersonal relations have a substantial impact on the construction of corporate culture. Employees are basically in a position of passive acceptance for a long time, not talking about active participation in the construction of corporate culture. In the cultural integration of enterprise merger and acquisition, the mode and speed of cultural integration are usually decided by a few leaders through meetings, and the real needs of employees are rarely reviewed. This practice of ignoring employees' role as the main body in cultural construction makes employees' recognition of the new enterprise and culture, and many beautiful cultural construction concepts become empty talk. Secondly, the cultural integration plan is not communicated to employees timely and accurately. Employees frequently feel lost throughout the integration process as a result of information asymmetry, and the lack of information openness makes it simple for employees to develop a mistrust of leaders and refuse to support or collaborate with the integration plan. Thirdly, some employees

have conservative ideas and tend to stick to the original corporate culture. They hold a hostile attitude towards post-merger cultural integration, so they also show negative emotions or exclusion behaviors in the process of cultural integration.

4.5.5   Relevant institutional integration and conflicts

Performance appraisal was revised in accordance with the appraisal system of M company and determined by a comprehensive formula that took into account performance, seniority, position, and other contents. Under the new appraisal standard, employees' performance salary decreased significantly compared with the previous one, and employees were not very clear about the performance appraisal standard. Some employees have communicated with M and finance about salary and performance appraisals many times. Multiple standards and arbitrary adjustment standards made employees complain, and some employees even quarreled with business leaders and M employees. The decline in remuneration and the change of assessment standards seriously hit the enthusiasm of employees and the situation of low performance.

The remaining problems in human resources have not been effectively solved. During the merger and acquisition period, the gambling agreement requires the sales to increase by 20% for three consecutive years. In order to meet the conditions of the agreement, the management of the company strictly controlled the expenses. The employees did not pay year-end bonuses for three consecutive years and promised to pay them uniformly after the completion of the merger. After the completion of the merger, K's management adjusted, and M company did not recognize the year-end bonus under the original assessment standard; this issue has been unresolved. The original salary structure of Company K included a low basic salary (referring to the minimum living allowance for urban residents) plus a high-performance bonus. However, after the merger and acquisition, the performance appraisal standard changed, the performance bonus was significantly reduced, and the basic salary was not adjusted according to the standard of M company. The M department of Company K has submitted the salary adjustment system many times, but it was not approved. At present,

the salary examination system of the company has caused great dissatisfaction among employees, and the turnover rate of employees is relatively high.

After the merger and acquisition, I appointed a chief financial officer to YS to assist in sorting out and improving the company's financial accounting system, launched the ERP system integrating supply and marketing finance for information management, and required financial and business personnel to submit management analysis reports regularly. The finance department used to be based on manual accounting,and its main tasks were billing, reimbursement, and reconciliation. After the new system goes online, the staff operation is not skilled, often present notes cannot leave the situation, affect the first-line sales business, and because of all kinds of management analysis reports submitted to the staff bring a lot of pressure, cannot submit the report in time and high quality. After the merger and acquisition, K established a standardized expense reimbursement system and strictly controls the scope of expense reimbursement. Previous business hospitality, relationship maintenance, and other expenses must be reported for approval in advance. Moreover, official card settlement and expense reimbursement must genuinely correspond to the business. Under the new regulations, the expense reimbursement process of customer relationship maintenance becomes more and more complicated. Employees are lazy in taking the initiative to maintain customer relationships, blaming the system adjustment after the merger, and letting the relationship deteriorate. In addition, the strict financial system often delays the payment for suppliers' goods, resulting in the supply of goods and affecting the completion of sales and business. Business personnel and enterprise customers expressed dissatisfaction.

4.5.6 *System Integration and Conflict Symptom*

After the merger and acquisition, M applied the company's warehouse management system (WMS) and ERP system to Company K to help it realize the information management of warehousing and logistics and enterprise operations. All links of purchase and sales business and documents sealing were approved in the OA system, and daily work coordination and communication should be completed in OA and other

communication software. It is forbidden to use public communication software to communicate work matters in private. However, the standardized approval process does not deal with some temporary and emergency events in a timely manner. Customers are not satisfied with the emergency distribution service, and front-line business personnel are tired of dealing with it, resulting in low work efficiency, which also makes inter-departmental responsibilities clearer and communication more difficult. At the same time, the system reviews and approves layers upon layers, and various indicators cannot be easily modified after setting. As a result, some emergency cases cannot be handled in time, such as drug prepayment not being timely, and drugs cannot be timely purchased after hospitals are out of stock, etc., which causes a lot of inconvenience to drug suppliers who mainly focus on distribution, and also brings specific influence on customers, making business personnel anxious and impatient.

4.6 Conclusion of the influencing factors of M&A enterprise cultural integration

(1) The five-factor structure model is obtained

After the factor analysis and single factor analysis of variance in the preliminary test and formal study, we finally get a five-factor model of cultural integration of merger and acquisition enterprise, which contains 22 items. They are leadership behavior factor, employee behavior factor, cultural trait factor, external facilitation factor, and mode selection factor. (As shown in below figure)

Figure 4-2 Five-factor Structure Model of Cultural Integration of M&A Enterprises

(2) The five-factor structure model has a specific universal significance

According to the survey's statistical analysis results, there are no other significant variations between the gender in terms of "external facilitation variables," education level, enterprise type, and industry type in terms of "leadership conduct," or industry type in terms of "mode selection. ". In most cases, there is no significant difference in the importance of evaluating the five factors affecting the cultural integration of merger and acquisition enterprises. This indicates that the five-factor structure obtained by this survey has a certain universality and a particular guiding significance for the cultural integration of Chinese merger and acquisition enterprises.

From the perspective of total variance explanatory amount, the variance explanatory amount of the leadership behavior factor is the largest, at 20.613%, indicating that this factor has a great influence on the cultural integration of M&A enterprises. In order to improve the effectiveness of the cultural integration of Chinese M&A enterprises, leaders should be mindful of the process of cultural integration, work to enhance their own performance and take an active part in it. Employee behavior and cultural features, which account for the second element, have variance interpretation rates of 14.398% and 11.675%, demonstrating that they have a significant influence on cultural integration on both sides of the merger. In hence, consideration should be given to the attitude and conduct of employees as well as their practical demands during the process of cultural integration. The only way to ensure that cultural integration goes easily and has positive integration consequences is through the employees' cooperation and understanding. Furthermore, in the process of cultural blending, it is necessary to consider the degree of cultural difference, cultural matching, cultural tolerance and cultural adaptability of the two sides. On the basis of obtaining the consensus of both sides as far as possible, the appropriate integration mode should be selected. Emphasis should be placed on the cultural evaluation before the merger and the education and cultural training of employees during the merger and acquisition process to grasp the integration speed properly.

4.6.1   The role of leaders in corporate culture change

The leader will take on a new role whenever the original company culture is rendered ineffective due to changes in the business environment. In order to improve organizational flexibility at this time, the leaders have to transcend organizational culture and implement the essential cultural adjustments.

Schein (1989) pointed out that when enterprises were preparing to implement a new strategy and needed new corporate culture to adapt to it, leaders took the vital task of "destroying culture", for the original corporate culture would bring about "cultural inertia" among corporate managers and employees, which was not conducive to the generation of new corporate culture. However, the change of top leaders may weaken the power of corporate culture or even change the direction of corporate culture. Turner (1986) believed that leaders could use a top-down approach to initiate corporate culture change and make it conform to the needs of business objectives, such as cost saving and production efficiency improvement. John P. Kotter and James L. Heskett (1997) pointed out in their book Corporate Culture and Business Performance: "Despite corporate culture being difficult to alter, it can be totally changed to become one that supports the development of business performance". In addition to the best managerial abilities, this change is difficult, lengthy, and requires a different sort of leadership. These leaders need to have a distinct understanding of reality.

It can be seen that leaders undertake the dual tasks of destroying the old culture and building the new culture in the corporate culture change. In corporate practice, we can find many facts. For example, Jack Welch, president of General Electric, and David Kearns, president of Xerox, were both prominent leaders in corporate cultural change.

However, the role of leaders in promoting corporate cultural change is also restricted by some factors. Meindl & Ehrlich & Dukerich (1985) demonstrated the driving role of charismatic leadership and transformational leadership in corporate culture change. Pinchot (1985) believes that organizational culture change should adopt a "top-down and participatory" approach, which he calls "Intrapreneuring". He summarizes the process as follows: Firstly, it is necessary for top management to establish new behaviors and attitudes in order to facilitate entrepreneurship.

Management can change certain rituals and procedures, including reward systems, to send substantive signals of change. Then, people can participate widely in such innovation programs and discuss together the "ideas" needed in the new competitive environment. It certainly touches on some of the "deep assumptions" that people have. It is reasonable to expect a well-planned, systematic effort at cultural change to succeed. From Pinchot's remarks, it can be seen that although leaders and senior managers play a crucial role in cultural reform, the participation and cooperation of all the staff in the enterprise is also a necessary condition for the success of cultural reform. Jirmieret. al. (1991) also believed that leaders and managers should not impose a culture on subordinates unilaterally. Roshabeth Kanter & Parry Stone & Tote Jack (1992) pointed out in their article The Challenge of Reform that even if the top managers of large companies have extraordinary leadership and art, the major reform of corporate culture still needs the active cooperation and participation of others. Cote (1997) argued that the size of an enterprise would affect the role of leaders in cultural change, and it would be more difficult to change the corporate culture in large companies. For example, the cultural change of General Electric, which advocated leadership and innovation spirit, spent the whole life of its president, Jack Welch, and the cultural change of Hewlett-Packard was also very slow and laborious. Martini et al. (1985) also proved that, compared with established mature organizations for a long time, leaders in new and young organizations will exert more influence on cultural change. However, the issues concerned leaders and their explanations of external things are not fully shared by organization members. His leadership behavior will be restricted by certain environmental factors, but within the limits of these factors, the choice of the leader has an extremely important impact on how the organization's members interpret the external world. Therefore, he constructs a compromise model between the leadership that promotes the change of corporate culture and the resistance that impedes it. Siehrs (1985) believed that the period of organizational transformation or organizational crisis (such as mergers and acquisitions) would be conducive for leaders to initiate cultural change. Sometimes, this kind of cultural change only stays on the surface of the corporate culture, and sometimes, it can go deep into the core values of the organization. Obviously, the latter kind of cultural change is much more difficult to detect and

measure. Cote (1997) also pointed out in his "Two-Level Theory of Culture" that it is tough to change the deep-seated and unborable level, that is, the cultural level representing the fundamental values, while it is relatively easy to change the easy-to-detect level, that is, the cultural change reflecting the behavior pattern or management style of enterprises.

Some scholars have studied the matching relationship between leadership type and organizational culture. R. Wayne Mundy and Robert M. Noe believe that among the factors affecting corporate culture, the leadership style of managers or leaders has an essential impact on corporate culture. Dutch scholars Deanne N. and Jaap J. Van Muijen et al. (1997) also proved this through empirical investigation and multivariate correlation analysis. This essay examines the connections between transactional leadership and transformational leadership and four different organizational cultures (support-oriented, goal-oriented, rule-oriented, and innovation-oriented), and it concludes that transactional leadership is more closely related to rules and goal-oriented cultures than transformational leadership is. In other words, a mechanical environment with clearly defined corporate goals, structures, and processes is more likely to support transactional leadership. Contrarily, a nurturing and transformation-focused culture is on the contrary, meaning that transformational leadership is more likely to emerge in a setting where the organization's goals and structure are flexible, the atmosphere is kind and trustworthy, and members are encouraged to express their creativity. Therefore, in the environment of enterprise transformation, such as mergers and acquisitions, transformational leadership will be more conducive to the change of corporate culture.

4.6.2 *Analysis of leadership behavior factors in cultural integration of merger and acquisition enterprises*

The empirical findings indicate that the following factors influence leadership behavior in the cultural integration of M&A enterprises: the importance of the leader, coordination, and execution, M&A experience and integration ability, communication ability, personal charm, appropriate centralization, the speedy establishment of the new leadership, and the resignation of the senior M&A party managers.

4.6.2.1 Leaders attended the cultural integration.

In our questionnaire survey, the subjects generally scored highly on the item "the importance leaders attach to cultural integration", and the factor "leadership behavior" in the formal questionnaire was an important part. Some foreign scholars also emphasize the significance of leadership's emphasis on cultural integration. For example, Oliver (1995) and Bastin & Ven (1986) point out that most companies will encounter confusion or communication barriers in cooperation at the initial stage of a merger. The "merger syndrome" caused by cultural differences and employee personality differences can become a key factor in determining the success or decline of the company. If it does not arouse the high attention of the top management or if dealt with improperly, the merger enterprise will fall into a culture conflict. On the contrary, the effective and reasonable use of these two factors can make the merger enterprise succeed. Shrallow (1985) and Buono, Bowditch and Lewis (1985) and Shrivastava (1986) and Tellijohn(2000) and Habeck (2003) also showed that the major causes of poor business performance and even failure of M&A firms are corporate culture differences and the failure to implement appropriate integration strategies to manage differences and conflicts. Companies can significantly increase the success rate of M&A by emphasizing the relevance of cultural blending. It is clear that although employee personality differences and cultural differences may cause potential cultural conflicts in M&A businesses, reasonable and successful cultural integration measures can be taken to turn disadvantages into advantages and turn them into the advantage resources of M&A businesses. In order to achieve such a successful transformation, the primary condition is that enterprise leaders must have the awareness and actions to pay attention to cultural integration.

In theory, we think leaders have good reasons to focus on cultural integration.

First of all, the trait theory of leadership holds that an ideal leader possesses six distinguishing qualities: initiative, a desire for leadership, honesty and integrity, confidence, wisdom, and knowledge of the workplace. The theory of charismatic leadership also summarizes seven key characteristics of a leader, namely: Confidence, vision, ability to articulate goals, strong belief in goals, non-conformity, agent of change and sensitivity to circumstances.   From these descriptions, we can see that leaders do

have advantages over ordinary employees. Enterprise enables them to have high achievement motivation and leadership desire. Self-confidence enables them to go ahead and have a great impact on others' behavior once they identify the goal. The characteristics of vision and change agents enables them to go beyond the immediate interests, and identify and seize the opportunity to promote the development of the enterprise, especially in the special period when the enterprise is facing transformation or crisis. They are going to be the key to turning the tide. M&A is clearly a type of organizational transformation and a chance for businesses to grow, and since its success is frequently tightly correlated with the effectiveness of its cultural integration, savvy leaders won't disregard it.

Secondly, from a practical point of view, within the enterprise, the personal interests of the leaders are the most directly related to the interests of the enterprise because the enterprise is created or developed in their hands. They have reasons to care the most about the development and future of the enterprise from both emotional and economic interests, so they are also the most likely to be interested in various possible ways to improve the enterprise's performance. As we know, successful cultural integration can make the enterprise after the merger obtain cultural synergies, promote the smooth integration of assets, technology, operation, personnel, and other aspects, consolidate the business results brought by the merger, and gain recognition and work enthusiasm of the target enterprise employees. Therefore, leaders have intrinsic motivation to support cultural integration.

Some domestic enterprises, such as Haier, Lenovo, Huali Group…etc., can successfully carry out cultural integration in mergers and acquisitions because there is a visionary entrepreneur behind these enterprises. Excellent entrepreneurs such as Zhang Ruimin, Liu Chuanzhi, and Wang Licheng have a deep understanding and thinking of corporate culture, so they can look far ahead and objectively evaluate the target corporate culture before the merger and acquisition and raise the integration of corporate culture to a strategic height after the merger and acquisition.

4.6.2.2 Middle- and low-level managers are to cooperate with the implementation of the cultural integration plan.

Similar to the factor of "leader importance", "cooperation and execution intensity of middle and low-level managers" was also listed as the second most important factor of "leadership behavior" twice in the pre-test and formal survey, with the two-factor loads, respectively. Indeed, no matter how good the integration plan design is, it can only be effective if it is implemented effectively. As the specific operators of the integration plan, middle managers play the role of bridge and link between the senior management and the grassroots employees. Defining "new standards" and the direction of cultural development through the "formal expression" of business philosophy and organizational mission; middle and low-level managers influence employees' understanding of corporate culture by conveying and explaining the "formal expression" of senior leaders. However, before conveying and explaining the "formal expression", they have already added their own understanding. Meanwhile, because they are in the lower level of leaders, they have more opportunities to directly contact with employees. Daily communication at work makes them more emotionally close to employees. Therefore, the degree of identification and implementation of the cultural integration plan implemented by the enterprise after the merger and acquisition will greatly affect the attitude system or identification of employees, and this influence sometimes even exceeds the influence of the senior management of the enterprise. According to certain research, if managers carry out the integration process appropriately, it can assist in preventing brain drain and potential damage to staff morale and productivity (Watson Wyatt Worldwide, 1999). For the middle and lower managers to clearly define their roles and responsibilities and take ownership of them, as well as for the change plan to be actively coordinated and strictly implemented in every link of work, senior leaders should be adept at creating their own teams and relying on the teams to promote cultural change. Otherwise, due to the difficulty in measuring the expected goal of cultural integration, the original requirements will be reduced due to the balance of interests and various difficulties in the implementation process, and the integration effect will be greatly reduced.

4.6.2.3 Leader's M&A experience and cultural integration ability

Man is the carrier of culture, and his thinking and action are extremely complex. Therefore, cultural integration is an art that requires leaders to use superior integration skills and capabilities. Although merger and acquisition experience does not necessarily lead to the improvement of managers' cultural integration capabilities, we believe that cultural integration capabilities are at least partly derived from rich merger and acquisition experience. However, in our project collection process and two questionnaire surveys, subjects also emphasize the importance of M&A experience and cultural integration ability of leaders, which is consistent with Buono & Bowditch (1998).They believe that one of the conditions for the M&A direction to successfully inject its own culture into the target enterprise is that the acquirer has established a social image of "efficiency, fairness and integrity" and accumulated successful experience in previous mergers and acquisitions. In addition, American scholars Coopers & Lybrand (1999) survey results of 100 companies show that 30% of people believe that lack of experience is the reason for the failure of mergers and acquisitions. Mercer Management Consulting (MMC, 1995) 38 Business Week research also proves that experienced buyout firms (with an average of more than 6 acquisitions per year) are much more likely to succeed than inexperienced buyout firms (with an average of 1-5 acquisitions per year). Experienced buy-out firms, which accounted for 24% of all buy-out firms, had a much better total shareholder return three years after acquisition than their peers, and much better than inexperienced buy-out firms. Among smaller firms, experienced buy-out firms had a 72% better return on investment than their peers. Among large firms, only slightly more than half (55%) of inexperienced buy-out firms had a better return on investment than their peers. Hayward's (2002) empirical study also supports the view that M&A experience can help the success of M&A. M&A experience is one of the most important factors in improving corporate M&A performance, which also shows from the side that M&A experience promotes the success of cultural integration.

Then what are the specific aspects of the cultural integration ability of leaders? We did not investigate further, but we were informed by the work of Charles Gancel (2004) et al., who argued that cultural integration is the attitude, skills, and behaviors that

leaders need to effectively deal with issues that cross cultural boundaries. More particularly, it is the capacity for interpersonal communication. I particularly possess the resolve and capacity to cope with issues with those who hold divergent opinions from mine. This ability is manifested in nine aspects: (1) I keep curiosity and keen observation of the new corporate culture and try my best to get familiar with the new working environment and working methods with open-minded. (2) Realize the limitation of your acculturation ability, and brave to control your negative emotions, when you are facing threatened by other people's culture, even if you wouldn't be agreed with other people's cultural values, you should show respect and acceptance. (3) The capability of taking risks and dealling with uncertain situations. (4) Be good at listening to others to deepen understanding of reality instead of jumping to conclusions. (5) Respect and understand others while clearly expressing your own opinions. (6) Exert constructive influence and mediate in cultural conflicts.(7)Focus on the process of cultural integration.(8)Language ability.(9)Build trusting and cooperative relationships between individuals and groups.

It can be seen from the research of Charles Gancel (2004) that the cultural integration ability of leaders is different from the ability required by general managers. In other words, cultural integration ability is special cultural management ability, and not every manager has this ability. It can be expected that the stronger the cultural integration ability of the leader, the more effective the cultural integration of the merger and acquisition enterprise can be improved. Cisco's M&A miracle is in large part due to an experienced and effective integration team and a model integration manager.

4.6.2.4 Communication skills of leaders

Buono and Bowditch (1998) believe that mergers and acquisitions will bring great shocks to employees, such as work safety issues, new environment adaptation issues, interpersonal problems with colleagues, etc., all of which may bring anxiety and stress to employees. Enterprise leaders should try to help employees eliminate the negative effects of these uncertainties instead of only caring about their own interests. The research of American scholars they found that in the process of promoting cultural change in an organization, people will be afraid of new roles and responsibilities. If information is allowed to be communicated layer by layer, misunderstandings will be

easily caused. Therefore, senior managers will communicate any information. You must tell lower-level employees directly. Jeff Cartwright (2004), a British scholar, also said in his book Cultural Transformation: "The most effective but least painful way to achieve change is to communicate, let everyone understand its interests and reach a common goal." Post-merger cultural integration can be a "psychological revolution" for employees.

If leaders have good communication skills and master certain communication skills, they can relieve employees' fear and resistance through effective communication and gain employees' recognition in communication so that cultural integration can be carried out in an open and honest atmosphere. Through conversation, leaders can gain a deeper understanding of one another's cultures, identify the root of cultural differences, clear up employee misunderstandings, and communicate to employees in the most direct and intuitive manner the values and standards of conduct that the company will uphold following the merger. For example, a company promotes a "customer-centric" culture. Employees may only know about it in general, but through your question-and-answer interviews or public discussions, leaders can tell them what is encouraged and what is not by listing specific behaviors. Through communication, leaders can also accurately inform employees of the new enterprise's strategic goals, integration plans, employment plans, compensation systems, etc., relieve employees' psychological pressure and let them feel the leader's care for them, thus winning employees' trust and recognition of the leader. Effective communication skills are a must for the seamless integration of corporate culture. The requirement for communication between the leaders and other stakeholders of the acquired firm, such as suppliers, middlemen, associations, etc., should be particularly highlighted. And the media for communication are diverse, such as employee interviews, interactive seminars, press conferences, video conferences, company newsletters, promotion materials, E-mail systems, video viewing, and so on. What kind of media should be used for communication? M. Habeck (2003) provides a reference for us. the richness of mass communication media should match the complexity of information; otherwise, information misunderstanding, or resource waste may be caused. The areas within the two oblique lines in the figure represent effective communication in which information and media achieve the best match.

In the M&A case, when Cisco acquired Cerent company in 1998, the company made it a point to communicate with employees of the acquired company.   Every employee had a job, a position, but the changeover within two months, awareness of the company's incentives and benefits, and direct access to Cisco's internal website for all kinds of corporate information. With only four of Cerent's 400+ employees leaving the company because of the acquisition, Cisco was able to obtain fiber technology and a sizable pool of bright individuals for a relatively small investment.

Charisma of leaders

Two different types of abilities make up a leader's leadership: the capacity to manage the market and adapt to it, and the ability to shape and influence the cultural norms and employee behaviors. They are the two indispensable wheels that will help an excellent leader achieve his career goals. Leaders led in one of two ways. One is to use their own power to achieve the leadership of subordinates, this kind of leadership is "hard", is the relationship between command and obedience; The other is that leaders attract, influence and inspire others by virtue of their personal charm (character, style, reputation, talent, level, knowledge, ability, cultural upbringing, etc.), which is commonly referred to as non-power leadership or informal leadership. This kind of leader is not a power in the eyes of his subordinates. They are leaders who, by virtue of their extraordinary personality, exert a lasting influence on the thoughts and actions of their subordinates, and the degree of influence directly depends on the degree of their personality. Therefore, in the process of shaping or changing the culture, leaders, as the best embodiment of corporate culture, can implement the values and behavioral assumptions of the enterprise by virtue of their personal charm and behavior example, which is often greater than the compulsory indoctrination of corporate culture. For example, an enterprise requires its employees not to be late for a meeting. As a result, the leader himself is late for a meeting when everyone arrives. In this way, the rule of not being late for a meeting becomes an empty word, because everyone consciously or unconsciously takes the leader as an example. As a result, in the process of cultural integration, the degree to which leaders can demonstrate their own charisma and their ability to verbally express and apply the new corporate culture becomes crucial variables impacting the outcome. Haier pays special attention to the exemplary role of

leaders in cultural integration and puts forward that leaders are flags and slogans of direction.

In fact, the personal influence of leaders in the process of cultural integration can be found in the theory of transformational leadership. Trice and Beyer (1991) called this ability of the leader "cultural leadership", that is, "the process by which the leader exerts influence on the cultural ideology and behavior of the members of the organization." They also pointed out that cultural leadership is different from instrumental leadership. Instrumental leadership focuses on how leaders influence the completion of organizational tasks by virtue of their power, which is a kind of formal leadership, while cultural leadership focuses on how leaders influence the understanding and views of other members of the organization on external things through their own words and deeds. Compared with instrumental leadership, cultural leadership may be more embodied in informal leadership. Therefore, leaders at any level of the organization can have an impact on cultural change. Cultural leadership can be divided into Cultural Innovation according to its different role in organizing culture.

4.6.3 *Employees play a dual role in corporate culture change*

Culture is carried by people, and corporate culture is primarily carried by employees, who also serve as the foundation for its application. That is to say, corporate culture should finally be implemented on employees. Therefore, the change of corporate culture must have the participation and active cooperation of employees. When the external operating environment changes and the past experience and values are no longer effective, the enterprise needs a cultural change. If employees can see the potential crisis outside the company and feel that their personal interests will be damaged, they may become supporters of cultural change and take the initiative to participate in the innovation of corporate culture.

The problem is that employees are often unaware of this potential crisis, and people are hardwired to hate change and maintain the status quo. It can be a painful struggle to make changes to management and familiar working practices that have been adapted, or even to let go of established values. Therefore, in the process of cultural

change, especially in the early stage of the change, many employees play the role of change resisters, and the solution to the contradiction ends with the recognition of employees. Therefore, American scholars Steve Ganbrell and Graig Stevens hold that successful cultural change requires a good plan in the three stages of the change (before, during and after the change), and the plan should include: Understand the motivation of employee resistance, the cognitive differences between employee and management, and the importance of continuous communication. The success of organizational culture change requires the participation of employees themselves. In this way, they will have better mentality adjustment and adaptability, and they will think that they should also take the responsibility to promote the cultural change. If leaders willingly impose a certain culture on their employees, it will only backfire. As Roxabeshuant (1992) said in his article "The Challenge of Reform", "Even if the top managers of large companies have extraordinary leadership and art, the major reform of corporate culture still needs the active cooperation and participation of others". Siehfs (1985) proved the importance of employee identification for the success of cultural change from an empirical perspective. She conducted a field study of cultural change at a microcomputer company in transition and found that: If employees do not recognize or see the value of cultural change, the integrated management and change of corporate culture by managers can only stay on the surface of culture and cannot go deep into the core values of the enterprise. Therefore, successful cultural change is not only something that can be accomplished by leaders and managers at the top, but also requires the participation and active cooperation of all employees. Studies by other scholars have also supported the view that employees participate in cultural change, such as Pinchot (1985), Reichers and Schneider (1990), Jirmier et al., (1991), Mohan (1993), etc.

4.6.4   Analysis of employee behavior factors in cultural integration of merger and acquisition enterprises

Mergers and acquisitions are the transformation of enterprise organizational form. Naedozza (1997) and Toby J. Tetenbaum (1999) believe that although top managers are crucial to the strategic decision of a merger or acquisition, the behavior and attitude of

employees on both sides also have a direct impact on the outcome. Employee attitude and conduct will unavoidably have an impact on the process and outcome of cultural integration because they are the carriers of corporate culture. Therefore, obtaining the support of employees, especially the understanding of the employees of the acquired enterprises, will be the basic force for the success of cultural integration. In our questionnaire survey, "employee behavior factors" include five sub-factors, which will be discussed separately as follows.

4.6.4.1 Psychological reaction of employees in merger and acquisition cultural integration

Corporate culture refers to the shared moral principles and ethics among employees as well as the emotional connection between the company and its workforce. Employees will be affected by the corporate culture for a period that is even longer than the lifespan of the company once they become aware of it. As a result, even though the organizational structure of the company has changed because of the merger and restructuring, the original corporate culture will continue to be important for a considerable amount of time. On the other hand, the development of an organization's culture involves more than just the entrepreneurs' independent actions; it also involves the employees' comprehension of and emotional engagement in the organization's experience of growth. The original components of corporate culture will mostly alter because of the merger and acquisition, and several actions and attitudes that employees once regarded as legitimate will no longer be recognized owing to culture shock. Previously familiar work processes and ways of doing things have been destroyed or denied, and new standards of value judgment and norms of behavior feel so strange that, from the perspective of economics, any change in cultural elements constitutes the "sunk cost" of employees' investment in the original culture. Hence, it is simple for employees to feel a sense of nostalgia for the past and opposition to the new culture when they learn that their corporate culture will change. Bouno, Bowdich, & Lewis (1985) said: "Mergers and acquisitions threaten employees' collective identification of the original culture. Mergers and acquisitions may be "harm" to both ordinary employees and managers. This "injury" often leads to the deterioration of employees' working attitude and the decline of productivity. These difficulties increase the

additional costs in the process of merger and integration and may make the enterprise ultimately unable to achieve the expected objectives of merger and acquisition (Bouno, Bowdich & Lewis, 1985; Blake & Mouton, 1985; Nahavandi & Malekedah, 1988; Schweiger & Denisi, 1991; Schweiger & Walsh, 1990; Haunschild, Moreland & Murrell, 1994; Weber, 1996).

In addition, the status of the two sides of the merger and acquisition is often unequal, especially in the strong - weak mergers and acquisitions, strong enterprises think that they have incomparable advantages in capital, management and culture, their employees often have the "winner" and "superior" pride psychology; However, the employees of weak enterprises have the inferiority mentality of "loser" and "inferior" because of the disadvantage of their own enterprises. These two extremely unbalanced mindsets easily cause conflicts between employees of both sides, which will be reflected in the conflict of two types of culture, which is extremely unfavorable to the integration of corporate culture after merger. Studies by some scholars and research institutions have also confirmed this point, such as McManus & Hergertb (1988) and Buono& Bowditch (1989) found that: In the process of cultural integration after merger, no matter cultural integration or cultural assimilation is adopted, there will be such a phenomenon, that is, because the employees of the new enterprise after merger have no common experience, so one party may feel inferior and threatened, resulting in anger and caution. Thus further, to ensure a smooth integration, the acquirer should maintain a low profile, while the acquiree's personnel should change their mindset, embrace the merger's reality, work to finish their role transformation, and actively participate in the new workplace.

For example, Burroughs, founded in 1885 to make the world's first typewriter, acquired Sperry Univac in 1986. Both companies have long histories, strong corporate cultures, and large numbers of long-serving employees. But while Spry has grown slowly in recent years, Burroughs has grown fast. When the merger between the two companies was announced, Spry's employees feared that the company would be controlled by Burroughs. They were demoralized and filled with pessimistic thoughts about the future.   To revive the morale of Spry employees, Burroughs put down its identity as an "acquirer". At the very beginning, the company made a clear definition for

the identity plan of a merger enterprise: (1) to establish a new company;(2) Mergers and acquisitions of the original two companies; (3) Build a new company based on operation and management. In the integration process, try to make each other's employees feel that this is a merger of equals, rather than a domination relationshi. As Janet Lehrman of Burroughs says, "Insiders must believe in the legitimacy of the idea. There are no winners or losers." Based on this, the new company decided to use a new name to represent the best combination of the two corporate identities, thus forming a new organization. After the merger, the company decided to introduce a CI system and let the internal staff give the new company a mutually agreeable new name. At first, it was suggested that Burroughs-Spry Company be called, but the president of the original Burroughs Company opposed it. He thought it would embarrass the employees of the original Spry Company. Employees' trust and recognition of middle and senior leaders

The completion of the merger marks the beginning of the two parties to work together as a unit, at this time the common concern of company M' staff is: who will be the new company's leadership personnel? Whether the new leadership comes from the acquirer or remains the leader of the acquirer, it is critical that the new leadership class gain the trust and cooperation of the employees.

If you keep the same people, on the one hand, employees who have experienced M&A pain may lose confidence in them by blaming their leaders for their incompetence. On the other hand, if the leaders of the target company fail to communicate the relevant information to their employees in a timely manner during the acquisition process, the employees will feel cheated because they believe that the senior management knows much more than they are being told, and they will assume that the leaders will have no time to attend to the employees even when more important things happen in the future. As a result, the leader must go through a process of rebuilding trust. If senior leaders are transferred from the acquirer, employees of the target party may also take a hostile attitude towards them because they cannot accept the fact of the merger. If the promised wages, benefits and pension insurance of the merger and acquisition company are not fulfilled, it will further reduce the trust of employees in the leadership of the merger and acquisition company and may form a wrong thinking set -- future promises are not

credible. If new leaders are brought in from the outside, the leader also faces a process of building credibility and authority due to strangers.

In other words, all forms of mistrust will significantly reduce the enterprise's internal allure, resulting in an extraordinary sense of self-preservation among the workforces. Employees will spend a lot of time and energy on self-protection strategies regardless of the type, and as a result, they won't have time to consider the enterprise's overall interests since they are too preoccupied with their own. Without a credible leader to follow, employees are unlikely to integrate quickly into a new work team, let alone develop cohesion and embrace a new corporate culture. Hence, the effectiveness of the cultural integration following the merger will directly depend on the leadership's ability to win over the employees' respect and trust. Birkinshaw and Bresman (2000) also proved this point in their study. They conducted a 5-year follow-up study on the transnational mergers and acquisitions of three Swedish companies and found that: If the manager in charge of integration can create a harmonious atmosphere of mutual respect and trust, it can improve the working attitude and job satisfaction of the employees of both sides, thus contributing to the integration of corporate culture.

In the process of culture injection, the acquirer often adopts a high expectation approach to motivate the morale, that is, the acquirer allows the acquiree and its employees to have high expectations or sets up high expectations intentionally or unintentionally in the publicity. In the short term, such expectation will play a huge incentive effect. However, in the long term, if such an expectation is not met, morale will be damaged, and the acquiree will have a sense of distrust towards the culture advocated by the acquirer, and the re-injection of the merger culture will be affected. Zhang Minrui, president of Haier, emphasized the four words "practical" for the target proposed by the acquired company, pursuing a down-to-earth style. At the same time, he implemented a competition mechanism in the acquired company, which did not create too high expectations, but emphasized competition. The employees' belief that joining Haier requires a higher income should be reformed and the necessity of market competition should be instilled.

4.6.4.2 Job change and turnover rate of employees

As a result of business restructuring and other aspects of the relationship, staff position adjustments, changes in work report relationships, and relocations to new locations for employment are all frequent occurrences. Mergers and acquisitions invariably result in the creation of new employee groups. Therefore, for the employees, especially the employees of the acquired company, the most concerned question is whether they still have a job, or how the follow-up work will change. If these problems are left unresolved for a long time, it will lead to anxiety and even fear among employees, reduce their loyalty to the enterprise, and then adopt intentional or unintentional counteracting attitudes and behaviors towards post-merger integration measures. Some employees, particularly seasoned managers and key technical professionals who are in high demand on the job market, can't handle the stress of uncertainty and decide to leave on their own. Employee morale and trust in the organization's future can be negatively impacted if the rate of employee departures is too high, which can also have a detrimental effect on those who remain with the company. Therefore, after the merger and acquisition, the enterprise should formulate an employee settlement plan and related human resource policies as soon as possible to stabilize people's morale and try to relieve the doubts of the employees of the merger. After the merger, employees won't feel a new sense of identity or belonging to the company until they are full of confidence and sense of security in their professional futures. The employee of the acquired party may find it difficult to accept the adjustment of the original position of the employee, such as the reduction of the position and salary, at the time and may even perceive it as the behavior of the previous manager breaking a promise, which will hasten the employee's resignation from the acquired party. However, if the manager of the acquired party can patiently and honestly explain the reasons for the change to the employee, if they believe that these changes are necessary and can ultimately prevent job loss and corporate bankruptcy, they may accept the changes following the merger with an open mind and tolerance, and eventually integrate into the new business and culture with a positive outlook..
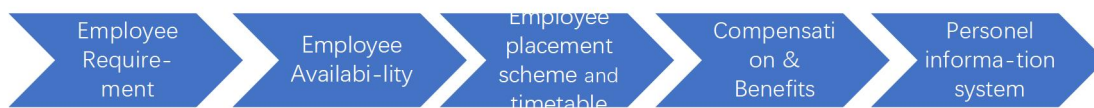
Figure 4-3 Employee Placement Strategy Sequence

When Lenovo bought IBM's PC business, it put IBM staff terms into the contract, promising unchanged pay and equity in IBM. Changing the stock option to Lenovo's option shows its respect and importance to IBM employees, and Lenovo's sincerity has finally won the understanding of IBM employees. Up to now, almost no backbone of the original IBM has been lost. Therefore, as for the problem of cultural running-in which the public is most worried, the chairmen Liu Chuanzhi commented at the 2005 Annual Meeting of Chinese Enterprise Leaders: "Lenovo and IBM work in the same language, the same level of business, and the business is completely complementary, the process of running-in is not as painful as people imagine..."

Another case of Cisco, after acquiring its first company, Crescendo, in 1993, Cisco went on an acquisition spree, acquiring more than 70 companies, large and small, over a decade, and integrating 10 companies in fiscal year 1999.   Cisco implemented a no-layoff policy after acquiring these companies. In the whole acquisition, the employee turnover rate of the enterprises acquired by Cisco was only 2.1%, while the average employee turnover rate of other software and hardware companies after the acquisition was more than 20%. Therefore, Cisco became one of the most successful enterprises in the industry to achieve growth through mergers and acquisitions. In 1999, Cisco's sales and operating profit increased by 44% and 55%, respectively. (Donald, 2004)

4.6.4.3 Employees' future expectations for the new enterprise

The ability of the employees to retain their initial sense of enthusiasm and responsibility for their work, as well as their perceptions of the company's future, is a key factor in whether a merger and acquisition organization will be successful. The leadership may have some idea of the future at this early stage of the merger and acquisition, but regular employees are in the dark regarding their own futures and the future of the company due to poor information flow. This sense of uncertainty makes employees increasingly anxious and stressed. Abraham Maslow, an American

psychologist who has studied this, summarizes the concerns and concerns of employees in five areas: (1) How will this affect me? (2) What does this mean for my future? (3) Will I still have the job? (4) Can I still succeed in the new environment? (5) Am I working the way my boss wants me to? Employees expect company leaders to give clear answers to such questions, but currently, leaders often focus on the technical issues of merger and acquisition, and they neglect to convey the important information they want to get to employees in a timely manner. The researchers found that the earlier information about the merger was communicated to employees, the more anxiety was reduced, and that by letting go of the stress, they could quickly adapt to the new work environment and accept the new corporate norms. Therefore, enterprise leaders should timely show employees the bright prospects of the company's development, help them determine the goals and direction of their work efforts, and know how to connect the company's business strategy with their own work performance to realize the common growth of individuals and enterprises, which will greatly enhance the attraction of the new company. The most direct indicator of a company's prospects is its post-merger growth. According to the study of Marx M. Habe et al., (2003) as the business development status of the enterprise after the merger has never been improved -- slightly improved -- significantly improved, the psychological emotions of the employees after the merger have also experienced a process from negation -- fear -- anger -- recognition -- relief -- love -- enjoyment. As can be seen (below Figure), good corporate performance can help relieve the mental pressure of employees, make them forget the "pain" caused by the merger, and accept the new company from the bottom of their hearts, thus generating new cohesion and sense of belonging, which lays a good foundation for the smooth progress of cultural integration after the merger.
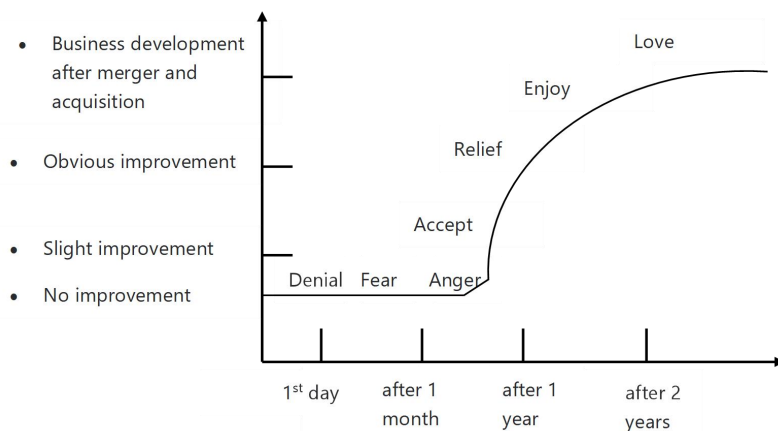
Figure 4-4 Change Curve of Employee Psychology and Behavior after Merger and Acquisition

4.6.4.4 Psychological contract strength of employees to the original enterprise

According to the international definition of enterprise, enterprise is an economic organization formed by owners of various production factors in order to pursue their own interests through contract. In other words, the firm is "a combination of contracts", a chain of contracts. These contracts may be written and explicit, or they may be oral, psychological, and implicit. The former is the formal economic contract which is often talked about in the theory of the firm, and the latter is what we call the informal psychological contract. The organizational psychologist Argyris (I960) originally introduced the idea of psychological contrast in his book Understanding Organizational Behavior. Originally used to denote an implicit or unwritten agreement or understanding between an employer and a business. (Levinson, 1962; Kotter, 1973), and later Rousseau (1990) defined it as the belief of employees and enterprises on mutual responsibility, which is embodied in the subjective agreement of mutual responsibility and obligation. From the dimension of psychological contract, there are two-dimensional structure theory and three-dimensional structure theory. For example, the psychological Contract was separated into two categories by Rousseau (1990), Transaction Contract and Relational Contract. The transaction contract is that employees work overtime and work beyond their responsibilities at a cost. It is a

contractual partnership based on economic transactions in exchange for high compensation, performance rewards, training, and career development supplied by the company. In a relationship contract, employees trade their long-term labor, loyalty, and readiness to accept internal work adjustments for the organization's long-term employment security. This type of contract is built on the exchange of social feelings. Arnold (1996) and Kickul J; Lester S. W. (2001) divided psychological Contract into Intrinsic Contract and Extrinsic Contract. An extrinsic contract involves an organization's commitment to the performance of employees. For instance, flexible working hours, a secure work environment, competitive pay and bonuses, and intrinsic contract refer to the commitment made by the company regarding the nature of employees' work, such as job choice, independent decision-making, self-control, engaging in challenging work, providing organizational support, participating in decision-making, having development opportunities, and so forth. Shapiro J. C. and Kessler L. split the psychological contract into three categories in 2000: Relational Obligation, Transactional Obligation, and Training Obligation.

From the concept and dimension of psychological contract, we can see that the psychological contract between employees and enterprises can be measured not only by the mutual exchange of money or other economic values, but also mainly by the mutual exchange or shared values, beliefs, expectations, satisfaction, and other psychological perceptions. In this sense, the integration of enterprise culture after the merger is actually the integration process of the psychological contract of the employees of the acquired enterprise, that is, according to the degree of integration, either the continuation of the original psychological contract, adjustment, and modification, or completely rebuild. The emphasis and difficulty of the integration process are related to the strength of the psychological contract between the employees of the acquired company and the original enterprise. Strength refers to the firm degree of emotional bond between an employee and the enterprise where he or she is working. There are three factors affecting the strength: first, working experience. The longer an employee works in an enterprise, the more emotional and energy he or she will invest in the enterprise, and the stronger the psychological contract will be. Second, the degree of recognition of corporate culture and management style. The higher the degree of

recognition, the stronger the satisfaction of employees with the enterprise. Third, human resource factors include matching the degree of job requirements and abilities, job richness and employee participation, evaluation and compensation system, career development training, etc. Thus, the more the psychological contract's strength, the greater the feeling of loyalty and belonging to the original business, and the greater the satisfaction with the business's current state. Employee passivity and non-cooperation at the very least, or employee public resistance at worst, will result from the merger and acquisition firm's decision to radically modify the target enterprise. Thus, it is essential to thoroughly comprehend the psychological contract status of the acquired party's employees at the outset of the cultural integration process and to implement the necessary integration strategies.

4.7 Current situation of talent retention

Since S Company entered the market at the beginning of 2002, its business development is relatively stable. In the initial stage, the business scale is relatively small, with an annual growth rate of more than 30%. Later, it enters the stage of stable development, with an annual growth rate of 10%-15% in the past five years.The business is in good health, plus the leading position of brand and technology in the industry, the turnover rate of S Company has been relatively low, keeping below 8%.

Analysis of the problems and causes of key personnel turnover

When it comes to brain drain, many people will think of salary first.It is often said that water flows to the bottom, while man struggles to the top. However, when there is a flow of talent, it is easy to feel that the salary must be too low and the benefits are not good enough, so the talent goes to the enterprises with better pay. In fact, this is a common misinterpretation, which is to treat the result of talent mobility as the cause. Regardless of whether a person is qualified as a talent in an organization or not, whenever there is turnover, they will always choose a position with higher pay, excluding some individual special reasons. The increase in pay almost always goes along with the turnover. But this only shows that when talents decide to leave for

another job, they will always choose a position with better salary or benefits, which is a phenomenon of talent mobility, not its cause.

As mentioned in the first chapter above, foreign experts have been studying the causes of talent mobility for a long time. No matter James Price's Price-Muellet model or March and Simon's turnover intention model, their research mainly focuses on internal and external reasons. The internal reasons are mainly the job expectations of talents and the degree of realization of work value, while the external reasons are mainly the emergence of new job opportunities and the fluctuation of labor market value. From these analysis, it can be seen that the loss of talents is not simply due to the increase of salary.

4.7.1. Descriptive statistics

Goal Explore the basic background of the sample.

Table4 -7 Frequency Analysis Results

Questions	Options	Frequency	Percentage(%)	Cumulative Percentage(%)
Post-Merger Employment Status	Still Employed	63	62.4	62.4
	left the company	38	37.6	100.0
Gender：	Male	53	52.48	52.48
	Female	48	47.52	100.00
Work Experience (Years)：	3~5 Years	4	3.96	3.96
	5~8 Years	15	14.85	18.81
	8~10 Years	14	13.86	32.67
	10+ Years	68	67.33	100.00
Education：	Associate degree	10	9.90	9.90
	Bachelor's Degree	62	61.39	71.29
	Master's Degree	29	28.71	100.00
Years with Acquired Company：	Less than 1 Year	6	5.94	5.94
	1-3 Years	30	29.70	35.64
	3~5 Years	30	29.70	65.35
	5~8 Years	35	34.65	100.00

Questions	Options	Frequency	Percentage(%)	Cumulative Percentage(%)
Experience Level	New Employee	35	34.7	34.7
	Senior Employee	66	65.3	100.0
Position	Marketing	19	18.8	18.8
	Sales	47	46.5	65.3
	Channel or Operations	14	13.9	79.2
	Finance, Administration, etc.	21	20.8	100.0
Position Type	Frontline position	66	65.3	65.3
	supporting position	35	34.7	100.0
Job title	Manager/Senior Manager	92	91.1	91.1
	Director/Senior Director	9	8.9	100.0
Leading Team	Leading Team	101	100.0	100.0
The nature of the company that was acquired	Startup	1	1.0	1.0
	State-Owned Enterprise	1	1.0	2.0
	Foreign Enterprise	90	89.1	91.1
	Well-Known Private Enterprise	9	8.9	100.0
Total		101	100.0	100.0

Post-Mergers and Acquisitions (M&A) Employee Tenure:

Among the surveyed employees, 62.4% remained with the company after the merger or acquisition, while 37.6% had already left. This indicates that the M&A had a certain impact on employee stability, with a portion of the staff choosing to depart.

Gender Distribution: In the surveyed employees, males accounted for 52.48%, and females accounted for 47.52%. The gender distribution was relatively balanced, with no significant gender inclination.

Tenure Distribution: Looking at the tenure distribution, 3.96% of employees had 3 to 5 years of service, 14.85% had 5 to 8 years, 13.86% had 8 to 10 years, and the

highest percentage, 67.33%, had more than 10 years of service. This indicates that long-term employees made up a significant proportion of those surveyed.

Education Composition: In terms of education, employees with a Bachelor's Degree were the most numerous, accounting for 61.39%, followed by those with a Master's Degree, at 28.71%, while employees with an Associate degree were the least, at 9.90%. This suggests that the surveyed employees generally had a higher level of education.

Years of Service at the Acquired Company: Regarding the length of service at the company before the acquisition, the most employees, 34.65%, had been with the company for 5 to 8 years, followed by 29.70% for 1-3 years and 3~5 years, respectively. This indicates that the distribution of years of service among the surveyed employees at the acquired company was relatively even, with a mix of long-term and more recent employees.

New Employee vs. Senior Employee Ratio: According to the survey, new employees (those who had been with the company for less than 3 years after the acquisition) made up 34.7%, while senior employees (those with more than 3 years of service) accounted for 65.3%. This shows that senior employees were the majority in the survey sample, possibly due to the company's stable operations, good business development, and low employee turnover rate.

Position Distribution: In terms of position distribution, the most employees were in Sales positions, accounting for 46.5%, followed by Marketing, Channel or Operations, and Finance, Administration, etc. This reflects the distribution of different positions in the survey sample, which may be related to the company's products or services requiring more sales personnel, or it may indicate that the company is sales-oriented or places emphasis on marketing development and customer relationship management.

Position Type: Looking at the position type, 65.3% of employees were in frontline positions, and 34.7% were in supporting positions. The higher number of frontline position employees may reflect the company's business focus and personnel allocation.

Job Title Distribution: In terms of job titles, employees at the Manager/Senior Manager level accounted for the highest percentage, reaching 91.1%, while those at the

Director/Senior Director level were fewer, at 8.9%. This indicates that the surveyed employees were mainly concentrated in middle management positions.

Leading Team: Among the 101 surveyed employees, 100% indicated that they led a team before the acquisition. This shows that the surveyed employees generally had certain managerial responsibilities and team leadership capabilities.

The Nature of the Company That Was Acquired: Looking at the nature of the company that was acquired, Foreign Enterprises accounted for the highest percentage, at 89.1%, followed by Well-Known Private Enterprises, at 8.9%, while Startups and State-Owned Enterprises had lower percentages. This reflects the fact that the survey sample primarily came from Foreign Enterprises and Well-Known Private Enterprises.

Conclusion: In terms of gender, more than 50% of the samples were "male". From the perspective of years of service (the total number of years engaged in all jobs): In the sample, "more than 10 years" is relatively large, accounting for 67.33%. In terms of educational background: most of the samples are "undergraduate", the proportion is 61.39%. At the same time, the working life of the sample in the acquired company is generally longer.

4.7.2. Sample characteristics analysis

Goal

Explore the basic characteristics of the sample and understand the preference of the sample when choosing the company by analyzing the selection frequency and responsiveness, so as to understand the sensitivity of the sample to various variables.

For the multiple-choice questions in the second part of the survey, preferences when selecting a company are understood by analyzing choice frequencies and response rates. This helps to determine the sample's sensitivity to various variables and to explore the basic characteristics of the sample.

A multiple response cross Chi-Square analysis is employed to understand if there are any significant differences among the options within each question.

Q13 Analysis of the main reasons for initially joining the original company (the acquired company):

Table 4 -8　Chi-Square Analysis of Reasons for Joining the Acquired Company

multiple-choice question options	Observed	Expected	Residual	Chi-Square	df	Asymptotic significance
Employment Pressure	8	53.3	-45.3			
Major Relevance	27	53.3	-26.3			
The company is large and enjoys a strong reputation	30	53.3	-23.3			
Like the Job	51	53.3	-2.3			
Salary and Benefits	55	53.3	1.8	122.657	7	.000
Capable of fulfilling this position	74	53.3	20.8			
The company has promising development prospects.	86	53.3	32.8			
Personal Development	95	53.3	41.8			
	426					

The results of the analysis indicate the following:

1.The Chi-Square value is 122.657, and the P-value is less than 0.001, which means there is a significant difference in the main reasons respondents initially joined the original company (the acquired company).

2.The primary concerns for respondents when joining the original company were Personal Development, the belief that the company has promising development prospects, and the capability to fulfill the position requirements.

3.The least concerning reasons for respondents were Employment Pressure, Major Relevance, and the company's large size and reputation in society.

Table 4-9-1　Chi-Square Analysis of Partial Reasons for Joining the Acquired Company

multiple-choice question options	Observed	Expected	Residual	Chi-Square	df	Asymptotic Significance (p)
Capable of fulfilling this position	74	85.0	-11.0			
The company has promising development prospects.	86	85.0	1.0	2.612	2	0.271
Personal Development	95	85.0	10.0			
	255					

When choosing their original workplace, there was no significant difference in the reasons "Capable of fulfilling this position," "The company has promising development prospects," and "Personal Development."

Table 4-9-2   Chi-Square Analysis of Partial Reasons for Joining the Acquired Company

multiple-choice question options	Observed	Expected	Residual	Chi-Square	df	Asymptotic Significance (p)
Like the Job	51	72.2	-21.2			
Salary and Benefits	55	72.2	-17.2			
Capable of fulfilling this position	74	72.2	1.8	20.205[a]	4	.000
The company has promising development prospects.	86	72.2	13.8			
Personal Development	95	72.2	22.8			
Total	361					

Upon analyzing certain options, it was found that with a P-value less than 0.001, the five reasons show significant differences. When employees were choosing to join the original company, the most important factor was Personal Development, followed by the company's development prospects. In comparison, salary and compensation benefits, as well as the factor of liking the job, were not the main driving factors.

Table 4-9-3   Chi-Square Analysis of Partial Reasons for Joining the Acquired Company

	Observed	Expected	Residual	Chi-Square	df	Asymptotic Significance (p)
The company is large and enjoys a strong reputation in society	30	40.5	-10.5	5.444	1	.020
Like the Job	51	40.5	10.5			
Total	81					

When comparing these two conditions, with a P-value of 0.02, which is less than 0.05, it indicates that there is a significant difference between the two reasons. This suggests that employees were more inclined to choose "Like the Job" as the main reason for joining the original company, rather than "The company is large and enjoys a strong reputation in society." This indicates that for these employees, personal preference for the job is a more important consideration, and in comparison, the size and reputation of the company may not be the primary driving factor.

Table 4-10 Chi-Square Analysis of Employee Retention Status in Relation to Reasons for Joining the Acquired Company

Position* Reason Cross-tabulation										
		Reason								Total
		Personal Development	Salary and Benefits	The company has promising development prospects.	The company is large and enjoys a strong reputation in society	Employment Pressure	Capable of fulfilling this position	Like the Job	Major Relevance	
Senior Employee	Count	70	35	68	20	2	49	32	23	299
	%	23.4%	11.7%	22.7%	6.7%	0.7%	16.4%	10.7%	7.7%	100.0%
New Employee	Count	25	20	18	10	6	25	19	4	127
	%	19.7%	15.7%	14.2%	7.9%	4.7%	19.7%	15.0%	3.1%	100.0%
Total	Count	95	55	86	30	8	74	51	27	426
	%	22.3%	12.9%	20.2%	7.0%	1.9%	17.4%	12.0%	6.3%	100.0%

Chi-Square Test			
Chi-Square Test			
	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	17.720[a]	7	.013
Likelihood Ratio	17.396	7	.015
N of Valid Cases	426		

With a P-value of 0.013, which is less than 0.05, there is a significant difference in the reasons why new Senior Employees chose to join the original company (the acquired company) at the time.

There are differences in the distribution of choices among the various reasons for new Senior Employees. Senior Employees are more inclined to select "Personal Development," "The company has promising development prospects," and "Capable of fulfilling this position," while New Employees have relatively higher proportions of choices in "Salary and Benefits," "Like the Job," and "Major Relevance."

Senior Employees have a significantly higher proportion of choices in "Personal Development" and "The company has promising development prospects" compared to New Employees. New Employees have a higher proportion of choices in "Salary and Benefits," and their choices in "Like the Job" and "Major Relevance" are also slightly higher than those of Senior Employees.

Analysis of the concerns of new and old employees about material conditions when they joined the original company.

Table 4-11　Chi-Square Analysis of Spiritual Reasons for New and Senior Employees Joining the Merged Company

Chi-Square Test

Position* Reason Cross-tabulation

		Reason				Total
		Personal Development	The company has promising development prospects.	Employment Pressure	Like the Job	
Position	Senior Employee	70	68	2	32	172
	New Employee	25	18	6	19	68
Total		95	86	8	51	240

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	13.091[a]	3	.004
Likelihood Ratio	12.023	3	.007
N of Valid Cases	240		

Within the spiritual aspects, there are differences: with p=0.007, which is less than 0.05, it indicates that there is a significant difference in the factors that Senior Employees consider. Senior Employees place greater emphasis on personal development and improvement, as well as "The company has promising development prospects," and are the least concerned about work pressure. The attention that Senior Employees pay to "The company has promising development prospects" significantly exceeds that of "Like the Job."

New Employees are most concerned with "Personal Development," followed by "Like the Job." The level of concern for "Like the Job" is comparable to that for "The company has promising development prospects."

Table 4-12 Chi-Square Analysis of Reasons for Male and Female Employees Joining the Acquired Company

Gender* Reason Cross-tabulation		Reason								Total
		Personal Development	Salary and Benefits	The company has promising development prospects.	The company is large in scale and enjoys a prestigious reputation	Employment Pressure	Capable of fulfilling this position	Like the Job	Major Relevance	
Gender	Male	Count	40	24	30	10	4	28	21	10	167
		%	24.0%	14.4%	18.0%	6.0%	2.4%	16.8%	12.6%	6.0%	100.0%
	Female	Count	28	19	28	11	2	25	14	9	136
		%	20.6%	14.0%	20.6%	8.1%	1.5%	18.4%	10.3%	6.6%	100.0%
Total		Count	68	43	58	21	6	53	35	19	303
		%	22.4%	14.2%	19.1%	6.9%	2.0%	17.5%	11.6%	6.3%	100.0%

Chi-Square Test			
	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	1.954[a]	7	.962

Likelihood Ratio	1.963	7	.962
N of Valid Cases	303		

Male and female employees have very similar main reasons for choosing to join the original company, with no significant differences.

Table 4-12-1 Chi-Square Analysis of Reasons for Joining the Acquired Company by Different Job Types

			Reasons for joining the original company's position								Total
			Personal Development	Salary and Benefits	The company has promising development prospects.	The company is large and enjoys a strong reputation in society	Employment Pressure	Capable of fulfilling this position	Like the Job	Major Relevance	
Position Type	Frontline position	Count	65	38	54	22	7	61	41	20	308
		%	21.1%	12.3%	17.5%	7.1%	2.3%	19.8%	13.3%	6.5%	100.0%
	supporting position	Count	30	17	32	8	1	13	10	7	118
		%	25.4%	14.4%	27.1%	6.8%	0.8%	11.0%	8.5%	5.9%	100.0%
Total		Count	95	55	86	30	8	74	51	27	426
		%	22.3%	12.9%	20.2%	7.0%	1.9%	17.4%	12.0%	6.3%	100.0%

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	11.322[a]	7	.125
Likelihood Ratio	11.719	7	.110
N of Valid Cases	426		

Employees in Front-line positions and those in supporting positions do not show significant differences in their Reasons for joining the original company.

Table 4-13 Chi-Square Analysis of Reasons for Joining the Acquired Company by Different Position

Chi-Square Test

Position* Reasons for joining the company Cross-tabulation

		Reasons for joining the company								Total
		Personal Development	Salary and Benefits	The company has promising development prospects.	The company is large and enjoys a strong reputation in society	Employment Pressure	Capable of fulfilling this position	Like the Job	Major Relevance	
Position	Finance, Adminisntration, etc.	Count 21	8	24	5	0	7	8	6	79
		% 26.6%	10.1%	30.4%	6.3%	0.0%	8.9%	10.1%	7.6%	100.0%
	Channel or Operations	Count 9	9	8	3	1	6	2	1	39
		% 23.1%	23.1%	20.5%	7.7%	2.6%	15.4%	5.1%	2.6%	100.0%
	Marketing	Count 19	9	10	0	2	15	8	4	67
		% 28.4%	13.4%	14.9%	0.0%	3.0%	22.4%	11.9%	6.0%	100.0%
	Sales	Count 46	29	44	22	5	46	33	16	241
		% 19.1%	12.0%	18.3%	9.1%	2.1%	19.1%	13.7%	6.6%	100.0%
Total		Count 95	55	86	30	8	74	51	27	426
		% 22.3%	12.9%	20.2%	7.0%	1.9%	17.4%	12.0%	6.3%	100.0%

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	28.651[a]	21	.123
Likelihood Ratio	34.868	21	.029
N of Valid Cases	426		

There are no significant differences in the Reasons for joining the original company among employees of different positions.

Table 4-14 Chi-Square Analysis of Reasons for Joining the Acquired Company by Whether still employed

Employed* Reasons for joining the company Cross-tabulation

		Reasons for joining the company								Total
		Personal Development	Salary and Benefits	The company has promising development prospects.	The company is large and enjoys a strong reputation in society	Employment Pressure	Capable of fulfilling this position	Like the Job	Major Relevance	
Employed	Count	54	24	56	18	4	42	32	16	246
	%	22.0%	9.8%	22.8%	7.3%	1.6%	17.1%	13.0%	6.5%	100.0%
Resigned	Count	41	31	30	12	4	32	19	11	180
	%	22.8%	17.2%	16.7%	6.7%	2.2%	17.8%	10.6%	6.1%	100.0%
Total	Count	95	55	86	30	8	74	51	27	426
	%	22.3%	12.9%	20.2%	7.0%	1.9%	17.4%	12.0%	6.3%	100.0%

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	7.270[a]	7	.401
Likelihood Ratio	7.242	7	.404
N of Valid Cases	426		

Whether an employee is still with the company or has left shows no significant difference in the reasons for joining the original company.

Table 4-15　Frequency of the advantages for working at the acquired company

	Frequency		
	Response N	Percentage	Cases Percentage

The advantages of choosing to work in the original acquired company		Observed	Percent	Percent of Cases
	Company's own development has advantages	64	15.5%	46.0%
	Good salary and benefits	54	13.0%	38.8%
	Stable, good working environment	65	15.7%	46.8%
	Ability to realize self-worth	67	16.2%	48.2%
	Internal harmonious relationships	86	20.8%	61.9%
	Good company development prospects	78	18.8%	56.1%
Total		414	100.0%	297.8%

The table above presents the primary advantages cited by employees for working at the acquired company, highlighting job stability, self-worth realization, and harmonious internal relationships as the most valued benefits.

Table 4-16 Chi-Square Analysis of the advantages for working at the acquired company

multiple-choice question options	Observed	Expected	Residual	Chi-Square	df	Asymptotic significance
Good salary and benefits	54	69.0	-15.0	9.275	5	.099
Company's own development has advantages	64	69.0	-5.0			
Stable, good working environment	65	69.0	-4.0			
Ability to realize self-worth	67	69.0	-2.0			
Internal harmonious relationships	78	69.0	9.0			
Good company development prospects	86	69.0	17.0			
Total	414					

With a P-value of 0.099, which is greater than 0.05, the difference is not significant. This indicates that there is no significant difference in the selection of six advantages that employees consider for choosing to work at the original company that was acquired.

Table 4-17 Chi-Square Analysis of the Partial advantages for working at the acquired company

multiple-choice question	Observed	Expecte	Residu	Chi-Squ	df	Asymptotic

options			d	al	are			significance
Good salary and benefits 54			70.0	-16.0	7.314	1		.007
Good company development prospects			86	70.0	16.0			
Total			140					

With a P-value of 0.007, which is less than 0.05, there is a significant difference between "The company has promising development prospects" and "Good salary and benefits." Survey respondents are more likely to stay and work at the original company acquired because "The company has promising development prospects."

Table 4-18 Chi-Square Analysis of the Partial advantages for working at the acquired company

multiple-choice question options	Observed	Expecte d	Residu al	Chi-Squ are	df	Asymptotic significance
Good salary and benefits 54		66.0	-12.0	4.364	1	.037
Internal harmonious relationships	78	66.0	12.0			
Total	132					

With a P-value of 0.007, which is less than 0.05, there is a significant difference between "Internal harmonious relationships" and "Good salary and benefits." Survey respondents are more likely to remain at the original company that was acquired due to "Internal harmonious relationships."

Table 4-19 Chi-Square Analysis of Turnover Rates by Gender

			still employed	left the company	Total
Gender：	Male	Count	30	46	76
		Expected Count	34.4	41.6	76.0
	Female	Count	33	30	63
		Expected Count	28.6	34.4	63.0
Total		Count	63	76	139
		Expected Count	63.0	76.0	139.0

Chi-Square Test				
	value	df	Asymptotic Sig. (2-tailed)	Exact Sig. (Two-tailed)	Exact Sig. (One-tailed)
Pearson Chi-Square	2.316[a]	1	.128		
Continuity	1.824	1	.177		

Correction[b]						
Likelihood Ratio	2.319	1	.128			
Fisher's Exact Test					.171	.088
Linear-by-Linear Association	2.299	1	.129			
N of Valid Cases	139					

Employees of different genders do not show significant differences in terms of whether they leave the company or not.

Table 4-20 Chi-Square Analysis of Turnover Rates by Experience Level

			still employed	left the company	Total
Experience Level	New Employee	Count	26	18	44
		Expected Count	19.9	24.1	44.0
	Senior Employee	Count	37	58	95
		Expected Count	43.1	51.9	95.0
Total		Count	63	76	139
		Expected Count	63.0	76.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)	Exact Sig. (Two-tailed)	Exact Sig. (One-tailed)
Pearson Chi-Square	4.924[a]	1	.026		
Continuity Correction[b]	4.145	1	.042		
Likelihood Ratio	4.926	1	.026		
Fisher's Exact Test				.030	.021
Linear-by-Linear Association	4.888	1	.027		
N of Valid Cases	139				

There is a significant difference in the likelihood of leaving the company between new and senior employees, with a higher proportion of Senior Employees choosing to depart.

Table 4-21 Chi-Square Analysis of Turnover Rates by different position

			still employed	left the company	Total
Position	Marketing	Count	16	6	22
		Expected	10.0	12.0	22.0

			still employed	left the company	Total
	Sales	Count	23	48	71
		Expected Count	32.2	38.8	71.0
	Channel or Operations	Count	13	2	15
		Expected Count	6.8	8.2	15.0
	Finance, Administration, etc.	Count	11	20	31
		Expected Count	14.1	16.9	31.0
Total		Count	63	76	139
		Expected Count	63.0	76.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	23.013[a]	3	.000
Likelihood Ratio	24.158	3	.000
Linear-by-Linear Association	1.011	1	.315
N of Valid Cases	139		

There are significant differences in the turnover rates among employees of different positions, with the Sales position having a higher departure rate.

Table 4-22 Chi-Square Analysis of Turnover Rates by different position type

			still employed	left the company	Total
Position Type	Frontline position	Count	39	54	93
		Expected Count	42.2	50.8	93.0
	supporting position	Count	24	22	46
		Expected Count	20.8	25.2	46.0
Total		Count	63	76	139
		Expected Count	63.0	76.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)	Exact Sig. (Two-tailed)	Exact Sig. (One-tailed)
Pearson Chi-Square	1.302[a]	1	.254		
Continuity Correction	.921	1	.337		
Likelihood Ratio	1.299	1	.254		
Fisher's Exact Test				.281	.169

			Linear-by-Linear Association	1.293	1	.256

	value	df	Asymptotic Sig. (2-tailed)
Linear-by-Linear Association	1.293	1	.256
N of Valid Cases	139		

The turnover situation between Front-line position and supporting position shows no significant difference.

Table 4-23 Chi-Square Analysis of Turnover Rates by Length of Service within the Acquired Company

			still employed	left the company	Total
Length of Service within the Acquired Company	Less than 1 Year	Count	3	6	9
		Expected Count	4.1	4.9	9.0
	1-3 Years	Count	24	12	36
		Expected Count	16.3	19.7	36.0
	3~5 Years	Count	19	22	41
		Expected Count	18.6	22.4	41.0
	5~8 Years	Count	17	36	53
		Expected Count	24.0	29.0	53.0
Total		Count	63	76	139
		Expected Count	63.0	76.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	10.910[a]	3	.012
Likelihood Ratio	11.064	3	.011
Linear-by-Linear Association	5.046	1	.025
N of Valid Cases	139		

Within the acquired company, employees of different service lengths exhibit significant turnover differences. Those who have worked for the original company for 5-8 years tend to leave more frequently, while employees with 1-3 years of service are more inclined to remain with the company.

Table 4-24 Chi-Square Analysis of Turnover Rates by different job title

			still employed	left the company	Total
Job title	Manager/Senior Manager	Count	56	72	128
		Expected Count	58.0	70.0	128.0
	Director/Senior Director	Count	7	4	11
		Expected Count	5.0	6.0	11.0
Total		Count	63	76	139
		Expected Count	63.0	76.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)	Exact Sig. (Two-tailed)	Exact Sig. (One-tailed)
Pearson Chi-Square	1.616[a]	1	.204		
Continuity Correction [b]	.914	1	.339		
Likelihood Ratio	1.616	1	.204		
Fisher's Exact Test				.225	.170
Linear-by-Linear Association	1.605	1	.205		
N of Valid Cases	139				

There are no significant differences in turnover among employees with different job titles.

Table 4-25 Chi-Square Analysis of Turnover Rates by different job title education degree

			still employed	left the company	Total
Education	Associate degree	Count	7	6	13
		Expected Count	5.9	7.1	13.0
	Bachelor's Degree	Count	37	50	87
		Expected Count	39.4	47.6	87.0
	Master's Degree	Count	19	20	39
		Expected Count	17.7	21.3	39.0
Total		Count	63	76	139
		Expected Count	63.0	76.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	.837[a]	2	.658
Likelihood Ratio	.835	2	.659
Linear-by-Linear Association	.004	1	.950
N of Valid Cases	139		

There are no significant differences in the turnover situation among employees with different levels of education.

Table 4-26 Chi-Square Analysis of Turnover Rates by different age

			still employed	left the company	Total
Age	30-33	Count	8	6	14
		Expected Count	6.3	7.7	14.0
	34-36	Count	17	24	41
		Expected Count	18.6	22.4	41.0
	37 and above	Count	38	46	84
		Expected Count	38.1	45.9	84.0
Total		Count	63	76	139
		Expected Count	63.0	76.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	1.036[a]	2	.596
Likelihood Ratio	1.033	2	.597
Linear-by-Linear Association	.190	1	.663
N of Valid Cases	139		

There are no significant differences in the turnover situation among employees of different age groups.

Table 4-27 Chi-Square Analysis of Turnover Rates by work experience

			still employed	left the company	Total
Total years of work experience in all jobs	3~5 Years	Count	1	6	7
		Expected Count	3.2	3.8	7.0
	5~8 Years	Count	9	12	21
		Expected Count	9.5	11.5	21.0
	8~10 Years	Count	8	12	20
		Expected Count	9.1	10.9	20.0
	10+ Years	Count	45	46	91
		Expected Count	41.2	49.8	91.0
Total		Count	63	76	139
		Expected Count	63.0	76.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	3.627[a]	3	.305
Likelihood Ratio	3.991	3	.262
Linear-by-Linear Association	2.534	1	.111
N of Valid Cases	139		

Employees with different total years of work experience show no significant differences in turnover.

4.7.3Explore the influencing factors of turnover- single factor analysis

Goal:Explore the influencing factors of turnover and screen the factors included in the equation before logistic regression.

4.7.3.1 From individual perception

Table 4-28 Frequency of Reasons for resignation if leaving after the acquisition

multiple-choice question options	Response N	Percentage	Cases Percentage
Low salary and benefits after the acquisition.	15	3.9%	11.5%
High workload, frequent overtime, high stress	10	2.6%	7.2%
Low salary, poor benefits, poor treatment	16	4.1%	11.5%
Dissatisfaction with company policies and systems	34	8.8%	24.5%
Potential replacement of position after the acquisition	65	16.8%	46.8%
Impact of the macro environment	12	3.1%	8.6%
Limited promotion opportunities after the acquisition	66	17.1%	46.8%
Inability to leverage personal advantages	44	11.4%	31.7%
Dislike of the acquiring company's culture	62	16.1%	44.6%
Low industry status and lack of respect	5	1.3%	3.6%
Dissatisfaction with company leadership	33	8.5%	23.7%
Personal reasons	24	6.2%	17.3%
Total	386	100.0%	277.7%

The data from Table indicates that the most frequently cited reasons for potential resignation following an acquisition are dissatisfaction with company policies and systems, followed by the potential replacement of position and limited promotion opportunities after the acquisition. These concerns are closely linked to employees' perceptions of job security and career advancement within the restructured organization. Additionally, a significant number of respondents express discontent with the acquiring company's culture, suggesting a possible misalignment between the merging entities' cultural values, which could impact talent retention efforts.

Table 4-29 Chi-Square Analysis Reasons for resignation if leaving after the acquisition

	Observed	Expected	Residual	Chi-Square	df	Asymptotic significance
Low industry status and lack of respect	5	32.2	-27.2	171.472	11	.000
High workload, frequent overtime, high stress	10	32.2	-22.2			
Impact of the macro environment	12	32.2	-20.2			
Low salary and benefits after the acquisition.	15	32.2	-17.2			
Low salary, poor benefits, poor treatment	16	32.2	-16.2			
Personal reasons	24	32.2	-8.2			
Dissatisfaction with company leadership	33	32.2	.8			
Dissatisfaction with company policies and systems	34	32.2	1.8			
Inability to leverage personal advantages	44	32.2	11.8			
Dislike of the acquiring company's culture	62	32.2	29.8			
Potential replacement of position after the acquisition	65	32.2	32.8			
Limited promotion opportunities after the acquisition	66	32.2	33.8			
Total	386					

The Chi-Square value of 171.472 with a P-value less than 0.001 indicates that if employees choose to leave after the announcement of the company's acquisition, the reasons for their departure are not uniformly distributed but show extremely significant differences.

When selecting reasons for leaving, employees are more inclined to cite "Limited promotion opportunities after the acquisition," "Potential replacement of position after the acquisition," and "Dislike of the acquiring company's culture," while reasons such as "Low industry status and lack of respect," "High workload, frequent overtime, high stress" are less commonly cited.

Table 4-30 Chi-Square Analysis of Partial Reasons for resignation if leaving after the acquisition

options	Observed	Expected	Residual	Chi-Square	df	Asymptotic significance
Inability to leverage personal advantages	44	54.5	-10.5	4.046	1	.044
Potential replacement of position after the acquisition	65	54.5	10.5			
Total	109					

With a P-value of 0.044, less than 0.05, there is a significant difference between "Potential replacement of position after the acquisition" and "Inability to leverage personal advantages." This indicates that employees are more likely to leave due to the "Potential replacement of position after the acquisition."

From the perspective of this question, in the context of mergers and acquisitions, employees are more concerned about the stability and security of their positions and relatively less focused on whether their advantages are being utilized. This may be because mergers and acquisitions often involve organizational restructuring and reassignment of positions, making the concern over potential replacement a more prominent reason for leaving.

Table 4-31 Chi-Square Analysis of new and senior employees and reasons for resignation

Reason* Position Cross-tabulation			Position		Total
			Senior Employee	New Employee	
Reason	Limited promotion opportunities after the acquisition	Count	46	19	65
		%	70.8%	29.2%	100.0%
	Low salary and benefits after the acquisition.	Count	10	6	16
		%	62.5%	37.5%	100.0%
	Potential replacement of position after the acquisition	Count	44	21	65
		%	67.7%	32.3%	100.0%
	Dislike of the acquiring company's culture	Count	41	21	62
		%	66.1%	33.9%	100.0%
	Dissatisfaction with company leadership	Count	24	9	33
		%	72.7%	27.3%	100.0%

			Count	23	11	34
	Dissatisfaction with company policies and systems	%	67.6%	32.4%	100.0%
	Personal reasons	Count	19	5	24
		%	79.2%	20.8%	100.0%
	Low salary, poor benefits, poor treatment	Count	10	6	16
		%	62.5%	37.5%	100.0%
	High workload, frequent overtime, high stress	Count	7	3	10
		%	70.0%	30.0%	100.0%
	Impact of the macro environment	Count	9	3	12
		%	75.0%	25.0%	100.0%
	Low industry status and lack of respect	Count	2	3	5
		%	40.0%	60.0%	100.0%
	Inability to leverage personal advantages	Count	29	15	44
		%	65.9%	34.1%	100.0%
Total		Count	264	122	386
		%	68.4%	31.6%	100.0%

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	4.674[a]	11	.946
Likelihood Ratio	4.614	11	.948
N of Valid Cases	386		

P=0.948＞0.05, indicating no significant difference in the reasons for resignation among new Senior Employees after the merger and acquisition. Their reasons are quite similar. The top three reasons are limited promotion opportunities after the acquisition, potential replacement of position after the acquisition, and dislike of the company's culture. The least likely reasons are: Low industry status and lack of respect, High workload, frequent overtime, high stress, and the Impact of the macro environment.

Table 4-32 Chi-Square Analysis of reasons for resignation by different genders

Departed* Gender Cross-tabulation

			Gender		Total
			Male	Female	
The possible reasons if you resign after the company's acquisition?	Limited promotion opportunities after the acquisition	Count	38	27	65
		%	58.5%	41.5%	100.0%
	Low salary and benefits after the acquisition.	Count	9	7	16
		%	56.2%	43.8%	100.0%
	Potential replacement of position after the acquisition	Count	37	28	65
		%	56.9%	43.1%	100.0%

			Male	Female	Total
Dislike of the acquiring company's culture	Count		30	32	62
	%		48.4%	51.6%	100.0%
Dissatisfaction with company leadership	Count		26	7	33
	%		78.8%	21.2%	100.0%
Dissatisfaction with company policies and systems	Count		25	9	34
	%		73.5%	26.5%	100.0%
Personal reasons	Count		10	14	24
	%		41.7%	58.3%	100.0%
Low salary, poor benefits, poor treatment	Count		8	8	16
	%		50.0%	50.0%	100.0%
High workload, frequent overtime, high stress	Count		4	6	10
	%		40.0%	60.0%	100.0%
Impact of the macro environment	Count		6	6	12
	%		50.0%	50.0%	100.0%
Low industry status and lack of respect	Count		2	3	5
	%		40.0%	60.0%	100.0%
Inability to leverage personal advantages	Count		20	24	44
	%		45.5%	54.5%	100.0%
Total	Count		215	171	386
	%		55.7%	44.3%	100.0%

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	18.749[a]	11	.066
Likelihood Ratio	19.525	11	.052
N of Valid Cases	386		

The P-value of 0.066 is greater than 0.005, indicating no significant difference in the overall reasons male and female employees chose for leaving the company after the merger or acquisition announcement.

The perceived most important reasons are: "Limited promotion opportunities after the acquisition," the possibility of position replacement post-acquisition, and "Dislike of the acquiring company's culture."

The least likely reasons are: "High workload, frequent overtime, high stress," and "Low industry status and lack of respect."

Table 4-33 The impact of material cultural conflicts perceived by different genders on turnover.

Perceived material culture conflicts	Position		Total
	Male	Female	

			Male	Female	Total
	Low salary and benefits after the acquisition.	Count	9	7	16
		%	56.2%	43.8%	100.0%
	Potential replacement of position after the acquisition	Count	37	28	65
		%	56.9%	43.1%	100.0%
Reason	Dissatisfaction with company policies and systems	Count	25	9	34
		%	73.5%	26.5%	100.0%
	Low salary, poor benefits, poor treatment	Count	8	8	16
		%	50.0%	50.0%	100.0%
	High workload, frequent overtime, high stress	Count	4	6	10
		%	40.0%	60.0%	100.0%
	Impact of the macro environment	Count	6	6	12
		%	50.0%	50.0%	100.0%
Total		Count	89	64	153
		%	58.2%	41.8%	100.0%

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	5.487[a]	5	.359
Likelihood Ratio	5.636	5	.343
N of Valid Cases	153		

A. P-value greater than 0.05 indicates that there is no significant difference between male and female employees regarding the aspect of perceived material culture conflicts as a reason for leaving. The most common reason is the Potential replacement of position after the acquisition, while the least common reasons are Dissatisfaction with company policies and systems, High workload, frequent overtime, high stress, and Impact of the macro environment.

Table 4-34 The impact of spiritual cultural conflicts perceived by different genders on turnover.

Perceived spiritual cultural conflicts* Gender Cross-tabulation

Perceived spiritual cultural conflicts			Position		Total
			Male	Female	
Reason	Limited promotion opportunities after the acquisition	Count	38	27	65
		%	58.5%	41.5%	100.0%
	Dislike of the acquiring company's culture	Count	30	32	62
		%	48.4%	51.6%	100.0%
	Dissatisfaction with company leadership	Count	26	7	33
		%	78.8%	21.2%	100.0%
	Personal reasons	Count	10	14	24

		%	41.7%	58.3%	100.0%
	Low industry status and lack of respect	Count	2	3	5
		%	40.0%	60.0%	100.0%
	Inability to leverage personal advantages	Count	20	24	44
		%	45.5%	54.5%	100.0%
Total		Count	126	107	233
		%	54.1%	45.9%	100.0%

Chi-Square Test			
	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	12.630[a]	5	.027
Likelihood Ratio	13.261	5	.021
N of Valid Cases	233		

With a P-value of 0.027, less than 0.05, there is a significant difference in the spiritual cultural conflicts perceived by male and female employees. If male employees were to leave, the most likely reason related to spiritual cultural conflicts would be "Limited promotion opportunities after the acquisition," followed by "Dislike of the acquiring company's culture." On the other hand, female employees consider "Dislike of the acquiring company's culture" as the primary reason for potential departure, followed by "Limited promotion opportunities after the acquisition." The greatest difference lies in the option "Dissatisfaction with company leadership," where male employees view this as a major reason for turnover compared to other spiritual cultural conflicts, while female employees believe that this reason has a lesser impact on turnover compared to other spiritual cultural conflicts.

Table 4-35 The impact of material cultural conflicts perceived by whether still employed on turnover.

Reasons for Leaving* Employment Status Cross-tabulation					
			Employment Status		Total
			Departed	Still employed	
Reasons for Leaving	Limited promotion opportunities after the acquisition	Count	32	33	65
		Departed%	49.2%	50.8%	100.0%
	Low salary and benefits after the acquisition.	Count	2	14	16
		Departed%	12.5%	87.5%	100.0%
	Potential replacement of	Count	34	31	65

	position after the acquisition	Departed%	52.3%	47.7%	100.0%
	Dislike of the acquiring company's culture	Count	34	28	62
		Departed%	54.8%	45.2%	100.0%
	Dissatisfaction with company leadership	Count	24	9	33
		Departed%	72.7%	27.3%	100.0%
	Dissatisfaction with company policies and systems	Count	24	10	34
		Departed%	70.6%	29.4%	100.0%
	Personal reasons	Count	14	10	24
		Departed%	58.3%	41.7%	100.0%
	Low salary, poor benefits, poor treatment	Count	4	12	16
		Departed%	25.0%	75.0%	100.0%
	High workload, frequent overtime, high stress	Count	0	10	10
		Departed%	0.0%	100.0%	100.0%
	Impact of the macro environment	Count	6	6	12
		Departed%	50.0%	50.0%	100.0%
	Low industry status and lack of respect	Count	4	1	5
		Departed%	80.0%	20.0%	100.0%
	Inability to leverage personal advantages	Count	22	22	44
		Departed%	50.0%	50.0%	100.0%
Total		Count	200	186	386
		Departed%	51.8%	48.2%	100.0%

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	38.327[a]	11	.000
Likelihood Ratio	44.012	11	.000
N of Valid Cases	386		

Chi-Square Test Results: Both the Pearson Chi-Square and Likelihood Ratio values are significantly high (38.327 and 44.012, respectively), and the Asymptotic Significance (p) (Sig.) is .000, which is far below 0.05. This indicates a significant difference in the reasons for leaving between employees who are still employed and those who have left the company.

"Limited promotion opportunities after the acquisition," "Dislike of the acquiring company's culture," and "Potential replacement of position after the acquisition" are the most frequently cited reasons among both departed and still-employed employees, with relatively small differences between them.

Employees who have left the company more frequently choose "Dissatisfaction with company leadership" and "Dissatisfaction with company policies and systems."

Still, Employed employees have a higher proportion of choosing "Low salary, poor benefits, poor treatment" and "High workload, frequent overtime, high stress."

External factors such as "Impact of the macro environment" and "Low industry status and lack of respect" are chosen less frequently and have similar proportions among both groups of employees, indicating that these factors may not be considered the main reasons for leaving by the employees.

Table 4-36 Cross-analysis of age and potential reasons for leaving the job

The possible reasons if you resign after the company's acquisition?* Age Cross-tabulation		Age			Total
		30-33	34-36	37 and above	
Limited promotion opportunities after the acquisition	Count	9	19	37	65
	Expected Count	7.9	17.3	39.7	65.0
Low salary and benefits after the acquisition.	Count	2	3	11	16
	Expected Count	1.9	4.3	9.8	16.0
Potential replacement of position after the acquisition	Count	10	18	37	65
	Expected Count	7.9	17.3	39.7	65.0
Dislike of the acquiring company's culture	Count	7	14	41	62
	Expected Count	7.5	16.5	37.9	62.0
Dissatisfaction with company leadership	Count	4	7	22	33
	Expected Count	4.0	8.8	20.2	33.0
Dissatisfaction with company policies and systems	Count	6	9	19	34
	Expected Count	4.1	9.1	20.8	34.0
Personal reasons	Count	1	10	13	24
	Expected Count	2.9	6.4	14.7	24.0
Low salary, poor benefits, poor treatment	Count	4	5	7	16
	Expected Count	1.9	4.3	9.8	16.0
High workload, frequent overtime, high stress	Count	1	6	3	10
	Expected Count	1.2	2.7	6.1	10.0
Impact of the macro environment	Count	1	0	11	12
	Expected Count	1.5	3.2	7.3	12.0

Low industry status and lack of respect	Count	0	0	5	5
	Expected Count	.6	1.3	3.1	5.0
Inability to leverage personal advantages	Count	2	12	30	44
	Expected Count	5.4	11.7	26.9	44.0
Total	Count	47	103	236	386
	Expected Count	47.0	103.0	236.0	386.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	27.156[a]	22	.205
Likelihood Ratio	31.454	22	.087
N of Valid Cases	386		

There are no significant differences in the reasons for leaving among employees of different ages.

Table 4-37 Cross-analysis of position and potential reasons for leaving the job

Possible Reasons for Leaving* Position Cross-tabulation

		Position Finance, Administration, etc.	Channel or Operations	Marketing	Sales	Total
Limited promotion opportunities after the acquisition	Count	20	11	10	24	65
	Expected Count	13.5	5.7	10.6	35.2	65.0
Low salary and benefits after the acquisition.	Count	1	7	1	7	16
	Expected Count	3.3	1.4	2.6	8.7	16.0
Potential replacement of position after the acquisition	Count	17	6	7	35	65
	Expected Count	13.5	5.7	10.6	35.2	65.0
Dislike of the acquiring company's culture	Count	13	4	10	35	62
	Expected Count	12.8	5.5	10.1	33.6	62.0
Dissatisfaction with company leadership	Count	5	1	2	25	33
	Expected Count	6.8	2.9	5.4	17.9	33.0
Dissatisfaction with company policies and systems	Count	4	0	6	24	34
	Expected Count	7.0	3.0	5.5	18.4	34.0
Personal reasons	Count	7	1	6	10	24
	Expected Count	5.0	2.1	3.9	13.0	24.0
Low salary, poor	Count	2	1	4	9	16

benefits, poor treatment	Expected Count 3.3	1.4	2.6	8.7	16.0
High workload, frequent overtime, high stress	Count 2	1	6	1	10
	Expected Count 2.1	.9	1.6	5.4	10.0
Impact of the macro environment	Count 1	0	1	10	12
	Expected Count 2.5	1.1	2.0	6.5	12.0
Low industry status and lack of respect	Count 0	0	0	5	5
	Expected Count 1.0	.4	.8	2.7	5.0
Inability to leverage personal advantages	Count 8	2	10	24	44
	Expected Count 9.1	3.9	7.2	23.8	44.0
Total	Count 80	34	63	209	386
	Expected Count 80.0	34.0	63.0	209.0	386.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	82.716[a]	33	.000
Likelihood Ratio	75.945	33	.000
N of Valid Cases	386		

A P-value less than 0.001 indicates that if the company merges, there will be significant differences in the potential reasons for leaving among different positions.

Sales Position: The two most frequently chosen options are "Dissatisfaction with company leadership" and "Dissatisfaction with company policies and systems." There are fewer choices for "Limited promotion opportunities after the acquisition" and "High workload, frequent overtime, high stress."

Finance and Administration Positions: The most chosen options are "Limited promotion opportunities after the acquisition" and "Potential replacement of position after the acquisition." There are fewer choices for "Dissatisfaction with company policies and systems" and "Low salary, poor benefits, poor treatment."

Channel or Operations Position: The most chosen options are "Limited promotion opportunities after the acquisition" and "Low salary and benefits after the acquisition." There are fewer choices for "Dissatisfaction with company leadership" and "Dissatisfaction with company policies and systems."

Marketing Position: The options "High workload, frequent overtime, high stress" and "Inability to leverage personal advantages" are chosen more than the average. There

are fewer choices for "Low salary and benefits after the acquisition" and "Dissatisfaction with company leadership."

Table 4-38 Cross-analysis of position type and potential reasons for leaving the job

Chi-Square Test

Possible Reasons for Departed* Position Type Cross-tabulation			Position Type		Total
			Frontline position	supporting position	
Possible Reasons for Departed	Limited promotion opportunities after the acquisition	Count	34	31	65
		Expected Count	45.8	19.2	65.0
	Low salary and benefits after the acquisition.	Count	8	8	16
		Expected Count	11.3	4.7	16.0
	Potential replacement of position after the acquisition	Count	42	23	65
		Expected Count	45.8	19.2	65.0
	Dislike of the acquiring company's culture	Count	45	17	62
		Expected Count	43.7	18.3	62.0
	Dissatisfaction with company leadership	Count	27	6	33
		Expected Count	23.3	9.7	33.0
	Dissatisfaction with company policies and systems	Count	30	4	34
		Expected Count	24.0	10.0	34.0
	Personal reasons	Count	16	8	24
		Expected Count	16.9	7.1	24.0
	Low salary, poor benefits, poor treatment	Count	13	3	16
		Expected Count	11.3	4.7	16.0
	High workload, frequent overtime, high stress	Count	7	3	10
		Expected Count	7.0	3.0	10.0
	Impact of the macro environment	Count	11	1	12
		Expected Count	8.5	3.5	12.0
	Low industry status and lack of respect	Count	5	0	5
		Expected Count	3.5	1.5	5.0
	Inability to leverage personal advantages	Count	34	10	44
		Expected Count	31.0	13.0	44.0
Total		Count	272	114	386
		Expected Count	272.0	114.0	386.0

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	28.651[a]	11	.003
Likelihood Ratio	30.852	11	.001
N of Valid Cases	386		

The Chi-Square significance value of P < 0.003 indicates that overall, there are significant differences in the reasons for leaving among employees of different Position Types.

"Dissatisfaction with company leadership" and "Dissatisfaction with company policies and systems": The actual count for Frontline position employees is higher than the expected count, while the actual count for supporting position employees is significantly lower than the expected count. Frontline position employees are more likely to leave for these reasons, whereas supporting position employees leave less frequently for these reasons.

"Limited promotion opportunities after the acquisition": The actual count for Frontline position employees is lower than the expected count, while the actual count for supporting position employees is slightly higher than the expected count. Supporting position employees are more likely to leave due to this reason.

"Potential replacement of position after the acquisition": The actual count for Frontline position employees is lower than the expected count, while the actual count for supporting position employees is higher than the expected count. Supporting position employees are more concerned about this reason for leaving.

"Dislike of the acquiring company's culture": The actual count for Frontline position employees is higher than expected, while the actual count for supporting position employees is slightly lower. This indicates that Frontline position employees are more likely to leave due to their dislike of the acquiring company's culture.

"Low salary and benefits after the acquisition": Both Position Types have actual counts slightly lower than expected, but the difference is insignificant. This suggests that salary and benefits may not be the main reason for employees in these two Position Types to leave.

Table 4-39 Cross-analysis of job title and potential reasons for leaving the job

The possible reasons if resign after the company's acquisition?* Job title Cross-tabulation			Job title		Total
			Manager/Senior Manager	Director/Senior Director	
The possible	Limited promotion	Count	58	7	65

reasons if resign after the company's acquisition?	opportunities after the acquisition	Expected Count	58.9	6.1	65.0
	Low salary and benefits after the acquisition.	Count	16	0	16
		Expected Count	14.5	1.5	16.0
	Potential replacement of position after the acquisition	Count	61	4	65
		Expected Count	58.9	6.1	65.0
	Dislike of the acquiring company's culture	Count	54	8	62
		Expected Count	56.2	5.8	62.0
	Dissatisfaction with company leadership	Count	31	2	33
		Expected Count	29.9	3.1	33.0
	Dissatisfaction with company policies and systems	Count	31	3	34
		Expected Count	30.8	3.2	34.0
	Personal reasons	Count	21	3	24
		Expected Count	21.8	2.2	24.0
	Low salary, poor benefits, poor treatment	Count	14	2	16
		Expected Count	14.5	1.5	16.0
	High workload, frequent overtime, high stress	Count	10	0	10
		Expected Count	9.1	.9	10.0
	Impact of the macro environment	Count	11	1	12
		Expected Count	10.9	1.1	12.0
	Low industry status and lack of respect	Count	5	0	5
		Expected Count	4.5	.5	5.0
	Inability to leverage personal advantages	Count	38	6	44
		Expected Count	39.9	4.1	44.0
Total		Count	350	36	386
		Expected Count	350.0	36.0	386.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	6.943[a]	11	.804
Likelihood Ratio	9.727	11	.555
N of Valid Cases	386		

A P-value greater than 0.05 indicates that there is no significant difference in the reasons for leaving chosen by the Manager/Senior Manager and Director/Senior Director groups following a company merger or acquisition.

4.7.3.2 From a third-party perspective

Table 4-40 Frequency of main reason for employee turnover after company was acquired

multiple-choice question options		Response N	Percentage	Cases Percentage
Reasons for turnover after the merger and acquisition.	Low salary and benefits	17	4.3%	12.2%
	Poor working environment	32	8.1%	23.0%
	High workload, frequent overtime, high stress	13	3.3%	9.4%
	Low salary, poor benefits, poor treatment	16	4.0%	11.5%
	Dissatisfaction with company policies and systems	65	16.4%	46.8%
	Limited promotion opportunities	77	19.4%	55.4%
	Lack of clear career planning	62	15.7%	44.6%
	Inability to leverage personal advantages	56	14.1%	40.3%
	Low industry status and lack of respect	15	3.8%	10.8%
	Dissatisfaction with company leadership	43	10.9%	30.9%
Total		396	100.0%	284.9%

Table above reveals that dissatisfaction with company policies and limited promotion opportunities are the leading causes of turnover after the acquisition, with a significant number of employees also citing poor working conditions and high stress levels as contributing factors.

Table 4-41 Chi-Square Analysis of main reason for employee turnover after company was acquired

	Observed	Expected	Residual	Chi-Squared	df	Asymptotic significance
High workload, frequent overtime, high stress	13	39.6	-26.6			
Low industry status and lack of respect	15	39.6	-24.6	132.939	9	.000
Low salary, poor benefits,	16	39.6	-23.6			

poor treatment			
Low salary and benefits	17	39.6	-22.6
Poor working environment	32	39.6	-7.6
Dissatisfaction with company leadership	43	39.6	3.4
Inability to leverage personal advantages	56	39.6	16.4
Lack of clear career planning	62	39.6	22.4
Dissatisfaction with company policies and systems	65	39.6	25.4
Limited promotion opportunities	77	39.6	37.4
Total	396		

A Chi-Square value of 132.939 with a P-value less than .001 indicates significant differences, meaning that respondents perceive a clear preference or variation in the reasons employees choose to leave after the company is acquired.

The options "Dissatisfaction with company leadership," "Inability to leverage personal advantages," "Lack of clear career planning," "Dissatisfaction with company policies and systems," and "Limited promotion opportunities" all have higher Observed counts than Expected counts, with positive and large Residuals. This suggests that more employees consider these factors as the main reasons for leaving after the acquisition.

Particularly, the option "Limited promotion opportunities" has a significantly higher Observed count compared to other options, and the Residual is the largest, indicating that this is a very prominent reason for employee turnover.

The impact of "High workload, frequent overtime, high stress," "Low industry status and lack of respect," and "Low salary, poor benefits, poor treatment" on turnover is relatively minor.

Table 4-42 Chi-Square Analysis of Partial reason for employee turnover after company was acquired

multiple-choice question options	Observed	Expecte d	Residu al	Chi-Squ are	df	Asymptotic significance
Low salary and benefits	17	47.0	-30.0	38.298	1	.000
Limited promotion opportunities	77	47.0	30.0			
Total	94					

With a P-value less than .001, there is a significant difference between the reasons for leaving: "Limited promotion opportunities" and "Low salary and benefits."

A higher number of employees consider "Limited promotion opportunities" as the main reason for leaving after the merger and acquisition; relatively fewer employees cite "Low salary and benefits" as their primary reason for leaving.

It can be inferred that after the company is acquired, employees are more inclined to regard "Limited promotion opportunities" as the main reason for their departure, while the factor of "Low salary and benefits" receives relatively less attention.

Table 4-43 Chi-Square Analysis of Partial reason for employee turnover after company was acquired

multiple-choice question options	Observed	Expected	Residual	Chi-Square	df	Asymptotic significance
High workload, frequent overtime, high stress	13	37.5	-24.5	32.013	1	.000
Lack of clear career planning	62	37.5	24.5			
Total	75					

With a P-value less than 0.001, there is a significant difference in the reasons for leaving between "Lack of clear career planning" and "High workload, frequent overtime, high stress."

A larger number of employees consider "Lack of clear career planning" as the main reason for leaving after the merger and acquisition; in contrast, relatively fewer employees cite "High workload, frequent overtime, high stress" as their primary reason for leaving.

Table 4-44 Chi-Square Analysis of Partial reason for employee turnover after company was acquired

multiple-choice question options	Observed	Expected	Residual	Chi-Square	df	Asymptotic significance
Low salary, poor benefits, and unfavorable treatment	16	36.0	-20.0	22.222	1	.000
Inability to leverage personal advantages	56	36.0	20.0			

Total	72			

With a P-value less than 0.001, there is a significant difference in the reasons for leaving between "Inability to leverage personal advantages" and "Low salary, poor benefits, and unfavorable treatment."

A higher number of employees view "Inability to leverage personal advantages" as the main reason for leaving following the merger and acquisition; in comparison, relatively fewer employees cite "Low salary, poor benefits, and unfavorable treatment" as their primary reason for departure.

Table 4-45 Analysis of the reasons for leaving among different groups

Reason* Position Cross-tabulation		Employment Status		Total
		left the company	still employed	
Low salary and benefits	Count	4	13	17
after the acquisition.	Expected Count	9.3	7.7	17.0
Dissatisfaction with	Count	26	17	43
company leadership	Expected Count	23.5	19.5	43.0
Dissatisfaction with	Count	38	27	65
company policies and systems	Expected Count	35.5	29.5	65.0
Low salary, poor benefits,	Count	4	12	16
and unfavorable treatment.	Expected Count	8.7	7.3	16.0
Poor working environment	Count	24	8	32
	Expected Count	17.5	14.5	32.0
Heavy workload, frequent	Count	4	9	13
overtime, and high stress.	Expected Count	7.1	5.9	13.0
Limited promotion	Count	36	41	77
opportunities	Expected Count	42.0	35.0	77.0
Lack of clear career	Count	40	22	62
planning	Expected Count	33.8	28.2	62.0
Low industry status and	Count	10	5	15
lack of respect	Expected Count	8.2	6.8	15.0
Inability to leverage	Count	30	26	56
personal advantages	Expected Count	30.5	25.5	56.0
Total	Count	216	180	396
	Expected Count	216.0	180.0	396.0

Chi-Square Test			
	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	26.885[a]	9	.001

Likelihood Ratio	27.651	9	.001
N of Valid Cases	396		

With a P-value less than 0.05, it shows a significant difference in the reasons for employee turnover as perceived by those who left the company and those who aretill employed after the merger and acquisition.

Employees who left the company believe that the main reasons for employee turnover are: "Lack of clear career planning," "Dissatisfaction with company policies and systems," "Poor working environment," and dissatisfaction with leadership. The differences between the actual and expected counts for factors such as "Low salary and benefits" and "High workload, frequent overtime, high stress" are relatively small, suggesting that they may not be the main reasons for leaving.

Employees who are still Employed consider the main reasons for employee turnover to be: "Low salary, poor benefits, and unfavorable treatment,"; "Heavy workload, frequent overtime, and high stress,"; "Limited promotion opportunities." They do not consider "Poor working environment" and "Lack of clear career planning" to be the leading causes of employee turnover.

Table 4-46 Analysis of the reasons for leaving among different genders

Reason* Position Cross-tabulation		Position		Total
		Male	Female	
Low salary and benefits after the acquisition.	Count	11	6	17
	Expected Count	9.7	7.3	17.0
Dissatisfaction with company leadership	Count	29	14	43
	Expected Count	24.5	18.5	43.0
Dissatisfaction with company policies and systems	Count	34	31	65
	Expected Count	37.1	27.9	65.0
Low salary, poor benefits, and unfavorable treatment.	Count	10	6	16
	Expected Count	9.1	6.9	16.0
Poor working environment	Count	16	16	32
	Expected Count	18.3	13.7	32.0
Heavy workload, frequent overtime, and high stress.	Count	8	5	13
	Expected Count	7.4	5.6	13.0
Limited promotion opportunities	Count	43	34	77
	Expected Count	43.9	33.1	77.0
Lack of clear career planning	Count	34	28	62
	Expected Count	35.4	26.6	62.0
Low industry status and lack	Count	11	4	15

			8.6	6.4	15.0
of respect		Expected Count			
Inability to leverage personal advantages		Count	30	26	56
		Expected Count	32.0	24.0	56.0
Total		Count	226	170	396
		Expected Count	226.0	170.0	396.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	5.918[a]	9	.748
Likelihood Ratio	6.058	9	.734
N of Valid Cases	396		

There is no significant difference in the reasons for personnel turnover after the company merger as perceived by employees of different genders. The main reasons are: "Dissatisfaction with company policies and systems," "Limited promotion opportunities," and "Lack of clear career planning."

Table 4-47 Analysis of the reasons for leaving among different ages

Reason* Position Cross-tabulation

			Position			Total
			30-33	34-36	37 and above	
Reason	Low salary and benefits after the acquisition.	Count	3	4	10	17
		Expected Count	2.0	4.6	10.4	17.0
	Dissatisfaction with company leadership	Count	1	13	29	43
		Expected Count	5.1	11.6	26.3	43.0
	Dissatisfaction with company policies and systems	Count	2	17	46	65
		Expected Count	7.7	17.6	39.7	65.0
	Low salary, poor benefits, and unfavorable treatment.	Count	3	2	11	16
		Expected Count	1.9	4.3	9.8	16.0
	Poor working environment	Count	2	15	15	32
		Expected Count	3.8	8.6	19.6	32.0
	Heavy workload, frequent overtime, and high stress.	Count	3	4	6	13
		Expected Count	1.5	3.5	7.9	13.0
	Limited promotion opportunities	Count	12	20	45	77
		Expected Count	9.1	20.8	47.1	77.0
	Lack of clear career	Count	9	18	35	62

planning	Expected Count	7.4	16.8	37.9	62.0
Low industry status and lack of respect	Count	3	2	10	15
	Expected Count	1.8	4.1	9.2	15.0
Inability to leverage personal advantages	Count	9	12	35	56
	Expected Count	6.6	15.1	34.2	56.0
Total	Count	47	107	242	396
	Expected Count	47.0	107.0	242.0	396.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	25.245[a]	18	.118
Likelihood Ratio	27.904	18	.064
N of Valid Cases	396		

Employees across the three age groups do not show significant differences in the reasons for employee turnover.

Table 4-48 Analysis of the reasons for leaving among different educational degree

Reason* Education Cross-tabulation

		Education			Total
		Bachelor's Degree	Associate degree	Master's Degree	
Low salary and benefits after the acquisition.	Count	12	1	4	17
	Expected Count	11.3	1.4	4.3	17.0
Dissatisfaction with company leadership	Count	26	5	12	43
	Expected Count	28.7	3.5	10.9	43.0
Dissatisfaction with company policies and systems	Count	37	7	21	65
	Expected Count	43.3	5.3	16.4	65.0
Low salary, poor benefits, and unfavorable treatment.	Count	13	1	2	16
	Expected Count	10.7	1.3	4.0	16.0
Poor working environment	Count	21	5	6	32
	Expected Count	21.3	2.6	8.1	32.0
Heavy workload, frequent overtime, and high stress.	Count	10	0	3	13
	Expected Count	8.7	1.1	3.3	13.0
Limited promotion opportunities	Count	54	4	19	77
	Expected Count	51.3	6.2	19.4	77.0

Lack of clear career planning	Count	41	2	19	62
	Expected Count	41.3	5.0	15.7	62.0
Low industry status and lack of respect	Count	12	0	3	15
	Expected Count	10.0	1.2	3.8	15.0
Inability to leverage personal advantages	Count	38	7	11	56
	Expected Count	37.3	4.5	14.1	56.0
Total	Count	264	32	100	396
	Expected Count	264.0	32.0	100.0	396.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	16.975[a]	18	.525
Likelihood Ratio	19.283	18	.375
N of Valid Cases	396		

There are no significant differences in the reasons for employee turnover based on different levels of education.

Table 4-49 Analysis of the reasons for leaving among different years of service

Reason* Years of service Cross-tabulation

		Years of service				Total
		1-3 Years	3-5 Years	5-8 Years	Less than 1 Year	
Low salary and benefits after the acquisition.	Count	3	7	6	1	17
	Expected Count	4.2	5.2	6.6	1.0	17.0
Dissatisfaction with company leadership	Count	8	15	19	1	43
	Expected Count	10.5	13.1	16.7	2.6	43.0
Dissatisfaction with company policies and systems	Count	12	24	27	2	65
	Expected Count	15.9	19.9	25.3	3.9	65.0
Low salary, poor benefits, and unfavorable treatment.	Count	4	5	6	1	16
	Expected Count	3.9	4.9	6.2	1.0	16.0
Poor working environment	Count	6	7	16	3	32
	Expected Count	7.8	9.8	12.4	1.9	32.0
Heavy workload, frequent overtime, and high stress.	Count	5	5	3	0	13
	Expected Count	3.2	4.0	5.1	.8	13.0
Limited promotion opportunities	Count	18	19	33	7	77
	Expected Count	18.9	23.5	29.9	4.7	77.0
Lack of clear career planning	Count	21	18	18	5	62
	Expected Count	15.2	18.9	24.1	3.8	62.0
Low industry status and	Count	5	6	3	1	15

lack of respect	Expected Count	3.7	4.6	5.8	.9	15.0
Inability to leverage	Count	15	15	23	3	56
personal advantages	Expected Count	13.7	17.1	21.8	3.4	56.0
Total	Count	97	121	154	24	396
	Expected Count	97.0	121.0	154.0	24.0	396.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	21.255[a]	27	.774
Likelihood Ratio	22.517	27	.711
N of Valid Cases	396		

The number of years of service within the acquired company does not show significant differences in the perceived reasons for personnel turnover.

Table 4-50 Analysis of the reasons for leaving among different employee type

Reason* Employee Type Cross-tabulation

		Employee Type		Total
		Senior Employee	New Employee	
Low salary and benefits after the acquisition.	Count	13	4	17
	Expected Count	11.9	5.1	17.0
Dissatisfaction with company leadership	Count	35	8	43
	Expected Count	30.1	12.9	43.0
Dissatisfaction with company policies and systems	Count	51	14	65
	Expected Count	45.5	19.5	65.0
Low salary, poor benefits, and unfavorable treatment.	Count	11	5	16
	Expected Count	11.2	4.8	16.0
Poor working environment	Count	23	9	32
	Expected Count	22.4	9.6	32.0
Heavy workload, frequent overtime, and high stress.	Count	8	5	13
	Expected Count	9.1	3.9	13.0
Limited promotion opportunities	Count	52	25	77
	Expected Count	53.9	23.1	77.0
Lack of clear career planning	Count	37	25	62
	Expected Count	43.4	18.6	62.0
Low industry status and lack of respect	Count	9	6	15
	Expected Count	10.5	4.5	15.0
Inability to leverage personal advantages	Count	38	18	56
	Expected Count	39.2	16.8	56.0
Total	Count	277	119	396
	Expected Count	277.0	119.0	396.0

Chi-Square Test

	value	df	Asymptotic Sig.

				(2-tailed)
Pearson Chi-Square	9.919ª	9		.357
Likelihood Ratio	10.116	9		.341
N of Valid Cases	396			

New and senior employees do not perceive significant differences in the reasons for personnel turnover.

Table 4-51 Analysis of the reasons for leaving among different position

Reason* Position Cross-tabulation

		Position Financial, administrative, and other positions	Channel or Operations	Marketing	Sales	Total
Low salary and benefits after the acquisition.	Count	3	3	5	6	17
	Expected Count	3.4	1.6	2.7	9.3	17.0
Dissatisfaction with company leadership	Count	10	2	4	27	43
	Expected Count	8.6	4.1	6.8	23.5	43.0
Dissatisfaction with company policies and systems	Count	16	3	9	37	65
	Expected Count	13.0	6.2	10.3	35.5	65.0
Low salary, poor benefits, and unfavorable treatment.	Count	2	1	4	9	16
	Expected Count	3.2	1.5	2.5	8.7	16.0
Poor working environment	Count	3	1	5	23	32
	Expected Count	6.4	3.1	5.1	17.5	32.0
Heavy workload, frequent overtime, and high stress.	Count	2	2	4	5	13
	Expected Count	2.6	1.2	2.1	7.1	13.0
Limited promotion opportunities	Count	17	12	14	34	77
	Expected Count	15.4	7.4	12.3	42.0	77.0
Lack of clear career planning	Count	14	6	9	33	62
	Expected Count	12.4	5.9	9.9	33.8	62.0
Low industry status and lack of respect	Count	4	0	1	10	15
	Expected Count	3.0	1.4	2.4	8.2	15.0
Inability to leverage personal advantages	Count	8	8	8	32	56
	Expected Count	11.2	5.4	8.9	30.5	56.0

Total	Count	79	38	63	216 396
	Expected Count	79.0	38.0	63.0	216.0396.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	29.882[a]	27	.319
Likelihood Ratio	31.755	27	.241
N of Valid Cases	396		

Employees in different Positions do not perceive significant differences in the reasons for personnel turnover following the company's merger or acquisition.

Table 4-52 Analysis of the reasons for leaving among different position type

Reason* Position Characteristics Cross-tabulation

		Position type		Total
		Front-line position	supporting position	
Low salary and benefits after the acquisition.	Count	11	6	17
	Expected Count	12.0	5.0	17.0
Dissatisfaction with company leadership	Count	31	12	43
	Expected Count	30.3	12.7	43.0
Dissatisfaction with company policies and systems	Count	46	19	65
	Expected Count	45.8	19.2	65.0
Low salary, poor benefits, and unfavorable treatment.	Count	13	3	16
	Expected Count	11.3	4.7	16.0
Poor working environment	Count	28	4	32
	Expected Count	22.5	9.5	32.0
Heavy workload, frequent overtime, and high stress.	Count	9	4	13
	Expected Count	9.2	3.8	13.0
Limited promotion opportunities	Count	48	29	77
	Expected Count	54.3	22.8	77.0
Lack of clear career planning	Count	42	20	62
	Expected Count	43.7	18.3	62.0
Low industry status and lack of respect	Count	11	4	15
	Expected Count	10.6	4.4	15.0
Inability to leverage personal advantages	Count	40	16	56
	Expected Count	39.5	16.5	56.0
Total	Count	279	117	396
	Expected Count	279.0	117.0	396.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	8.442[a]	9	.490
Likelihood Ratio	9.189	9	.420
N of Valid Cases	396		

Employees with different Position Types do not perceive significant differences in the reasons for personnel turnover after the company's merger or acquisition.

Table 4-53 Analysis of the reasons for leaving among different Job title

Reason* Job title Cross-tabulation

		Job title		Total
		Manager/Senior Manager	Director/Senior Director	
Low salary and benefits after the acquisition.	Count	16	1	17
	Expected Count	15.4	1.6	17.0
Dissatisfaction with company leadership	Count	36	7	43
	Expected Count	38.9	4.1	43.0
Dissatisfaction with company policies and systems	Count	55	10	65
	Expected Count	58.8	6.2	65.0
Low salary, poor benefits, and unfavorable treatment.	Count	14	2	16
	Expected Count	14.5	1.5	16.0
Poor working environment	Count	30	2	32
	Expected Count	28.9	3.1	32.0
Heavy workload, frequent overtime, and high stress.	Count	12	1	13
	Expected Count	11.8	1.2	13.0
Limited promotion opportunities	Count	68	9	77
	Expected Count	69.6	7.4	77.0
Lack of clear career planning	Count	60	2	62
	Expected Count	56.1	5.9	62.0
Low industry status and lack of respect	Count	14	1	15
	Expected Count	13.6	1.4	15.0
Inability to leverage personal advantages	Count	53	3	56
	Expected Count	50.6	5.4	56.0
Total	Count	358	38	396
	Expected Count	358.0	38.0	396.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	10.215[a]	9	.333
Likelihood Ratio	10.708	9	.296
N of Valid Cases	396		

Employees with different Job titles do not perceive significant differences in the reasons for personnel turnover following the company's merger or acquisition.

4.7.3.3 The satisfaction levels of different groups with cultural integration measures after the merger

Table 4-54 The satisfaction levels of cultural integration measures after merger by whether still employed

		Improvement Measures	Completely Dissatisfied	Somewhat Dissatisfied	Neutral	Somewhat Satisfied	Completely Satisfied	Chi-Square Test sig.
Employed	Counts		2	2	28	29	2	
	Expected Counts	Ability to Self-Improve	7.3	8.2	32.6	14.1	.9	
Resigned	Counts		14	16	44	2	0	.000
	Expected Counts		8.7	9.8	39.4	16.9	1.1	
Employed	Counts	Direct Supervisor's Management Style	1	1	30	27	4	
	Expected Counts		9.5	5.0	28.1	16.8	3.6	
Resigned	Counts		20	10	32	10	4	.000
	Expected Counts		11.5	6.0	33.9	20.2	4.4	
Employed	Counts	Senior Management's Attention to Employees	0	5	31	25	2	
	Expected Counts		7.3	7.7	33.1	14.1	.9	
Resigned	Counts		16	12	42	6	0	.000
	Expected Counts		8.7	9.3	39.9	16.9	1.1	
Employed	Counts	Talent Development Mechanism	0	4	35	23	1	
	Expected Counts		6.3	10.9	32.2	13.1	.5	
Resigned	Counts		14	20	36	6	0	.000
	Expected Counts		7.7	13.1	38.8	15.9	.5	

The data presented in Table above analyzes the satisfaction levels among different job title groups regarding cultural integration measures implemented after a merger. The survey results, which include Chi-Square Test significance (sig.), show a range of responses from "Completely Dissatisfied" to "Completely Satisfied" for various improvement measures such as "Ability to Self-Improve," "Direct Supervisor's Management Style," "Senior Management's Attention to Employees," and "Talent Development Mechanism."

For the group of employees who are still employed (Employed), dissatisfaction levels are notably higher in all categories, with a significant number expressing "Completely Dissatisfied" and "Somewhat Dissatisfied" sentiments, particularly regarding the "Direct Supervisor's Management Style" and "Senior Management's Attention to Employees." Conversely, the resigned employees (Resigned) show a more even distribution of satisfaction levels, with a higher proportion leaning towards "Somewhat Satisfied" and "Completely Satisfied" in all categories.

The Chi-Square Test results indicate a significant divergence between observed and expected counts for each job title group across the improvement measures, suggesting that the cultural integration measures have not been uniformly effective across different employee levels and may have contributed to the dissatisfaction and turnover observed among certain groups. These findings underscore the complexity of cultural integration post-merger and the need for tailored approaches to address the diverse needs and expectations of the workforce.

Table 4-55 The satisfaction levels of company's compensation situation after merger by different gender

			Very unreasonable	Somewhat unreasonable	Average	Somewhat reasonable	Very reasonable	Total
Gender	Male	Count	3	12	35	26	0	76
		Expected Count	1.6	7.1	36.6	29.5	1.1	76.0
	Female	Count	0	1	32	28	2	63
		Expected Count	1.4	5.9	30.4	24.5	.9	63.0

		Very unreasonable	Somewhat unreasonable	Average	Somewhat reasonable	Very reasonable	Total
Total	Count	3	13	67	54	2	139
	Expected Count	3.0	13.0	67.0	54.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	13.418[a]	4	.009
Likelihood Ratio	16.893	4	.002
Linear-by-Linear Association	9.351	1	.002
N of Valid Cases	139		

Male and female employees exhibit significant differences in their perception of the compensation situation after the merger and acquisition, with male employees considering it "Somewhat unreasonable" and "Very unreasonable" more than female employees. No male employees regard the compensation situation as "Very reasonable," and no female employees view it as "Very unreasonable."

Table 4-56 The satisfaction levels of company's compensation situation after merger by new or senior employee

Cross Tabulation

		Very unreasonable	Somewhat unreasonable	Average	Somewhat reasonable	Very reasonable	Total
New Employee	Count	0	2	25	17	0	44
	Expected Count	.9	4.1	21.2	17.1	.6	44.0
Senior Employee	Count	3	11	42	37	2	95
	Expected Count	2.1	8.9	45.8	36.9	1.4	95.0
Total	Count	3	13	67	54	2	139
	Expected Count	3.0	13.0	67.0	54.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	4.899[a]	4	.298
Likelihood Ratio	6.582	4	.160
Linear-by-Linear	.425	1	.514

Association
N of Valid Cases   139

There are no significant differences between new and senior employees regarding whether the compensation situation is reasonable after the company's merger and acquisition.

Table 4-57 The satisfaction levels of company's compensation situation after merger by different position type

Cross Tabulation

		Very unreasonable	Somewhat unreasonable	Average	Somewhat reasonable	Very reasonable	Total
Frontline position	Count	2	9	43	37	2	93
	Expected Count	2.0	8.7	44.8	36.1	1.3	93.0
supporting position	Count	1	4	24	17	0	46
	Expected Count	1.0	4.3	22.2	17.9	.7	46.0
Total	Count	3	13	67	54	2	139
	Expected Count	3.0	13.0	67.0	54.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	1.310[a]	4	.860
Likelihood Ratio	1.926	4	.749
Linear-by-Linear Association	.214	1	.643
N of Valid Cases	139		

Frontline and supporting positions do not show significant differences in the perception of whether the compensation situation is reasonable after the company's merger and acquisition.

Table 4-58 The satisfaction levels of company's compensation situation after merger by different position

			Very unreasonable	Somewhat unreasonable	Average	Somewhat reasonable	Very reasonable	Total
Position	Marketing	Count	0	1	9	12	0	22
		Expected Count	.5	2.1	10.6	8.5	.3	22.0
	Sales	Count	2	8	34	25	2	71
		Expected	1.5	6.6	34.2	27.6	1.0	71.0

		Count					
Channel or Operations		Count	1	3	6	5	0	15
		Expected Count	.3	1.4	7.2	5.8	.2	15.0
Financial, administrative, and other positions		Count	0	1	18	12	0	31
		Expected Count	.7	2.9	14.9	12.0	.4	31.0
Total		Count	3	13	67	54	2	139
		Expected Count	3.0	13.0	67.0	54.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	11.333[a]	12	.501
Likelihood Ratio	12.655	12	.395
Linear-by-Linear Association	.256	1	.613
N of Valid Cases	139		

There are no significant differences in the perception of the fairness of compensation conditions after the company's merger and acquisition among employees of different positions.

Table 4-59 The satisfaction levels of company's compensation situation after merger by different Whether still employed

			Very unreasonable	Somewhat unreasonable	Average	Somewhat reasonable	Very reasonable	Total
Are you still employed?	still employed	Count	1	5	27	30	0	63
		Expected Count	1.4	5.9	30.4	24.5	.9	63.0
	left the company	Count	2	8	40	24	2	76
		Expected Count	1.6	7.1	36.6	29.5	1.1	76.0
Total		Count	3	13	67	54	2	139
		Expected Count	3.0	13.0	67.0	54.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	5.043[a]	4	.283

	value	df	Asymptotic Sig. (2-tailed)
Likelihood Ratio	5.800	4	.215
Linear-by-Linear Association	1.493	1	.222
N of Valid Cases	139		

Whether an employee is currently employed does not show a significant difference in their perception of the reasonableness of the compensation situation after the company's merger and acquisition.

Table 4-60 The satisfaction levels of company's talent development mechanism after merger by different gender

Cross Tabulation

			Very unreasonable	Somewhat unreasonable	Average	Somewhat reasonable	Very reasonable	Total
Gender	Male	Count	14	16	31	14	1	76
		Expected Count	7.7	13.1	38.8	15.9	.5	76.0
	Female	Count	0	8	40	15	0	63
		Expected Count	6.3	10.9	32.2	13.1	.5	63.0
Total		Count	14	24	71	29	1	139
		Expected Count	14.0	24.0	71.0	29.0	1.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	17.782[a]	4	.001
Likelihood Ratio	23.474	4	.000
Linear-by-Linear Association	9.953	1	.002
N of Valid Cases	139		

There is a significant difference between Male and Female employees in their perception of the reasonableness of the company's talent cultivation mechanism after the merger and acquisition. Male employees are more likely to consider it "Very unreasonable" and "Somewhat unreasonable" than female employees. Female employees' choices are more centered, with the majority considering it "Average" and no one choosing "Very unreasonable" or "Very reasonable."

Table 4-61 The satisfaction levels of company's talent development mechanism after merger by different Experience Level

		Very unreasonable	Somewhat unreasonable	Average	Somewhat reasonable	Very reasonable	Total
New Employee	Count	4	5	25	10	0	44
	Expected Count	4.4	7.6	22.5	9.2	.3	44.0
Senior Employee	Count	10	19	46	19	1	95
	Expected Count	9.6	16.4	48.5	19.8	.7	95.0
Total	Count	14	24	71	29	1	139
	Expected Count	14.0	24.0	71.0	29.0	1.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	2.346[a]	4	.672
Likelihood Ratio	2.739	4	.602
Linear-by-Linear Association	.556	1	.456
N of Valid Cases	139		

There are no significant differences between new and senior employees in their views on whether the company's talent cultivation mechanism is reasonable after the merger and acquisition.

Table 4-62 The satisfaction levels of company's talent development mechanism after merger by different position

			Very unreasonable	Somewhat unreasonable	Average	Somewhat reasonable	Very reasonable	Total
Position	Marketing	Count	0	2	13	7	0	22
		Expected Count	2.2	3.8	11.2	4.6	.2	22.0
	Sales	Count	12	11	35	13	0	71
		Expected Count	7.2	12.3	36.3	14.8	.5	71.0
	Channel or Operations	Count	0	2	11	2	0	15
		Expected Count	1.5	2.6	7.7	3.1	.1	15.0
	Finance,	Count	2	9	12	7	1	31

							Total
	Administratio n, etc.	Expecte d Count	3.1	5.4	15.8	6.5	.2	31.0
Total		Count	14	24	71	29	1	139
		Expecte d Count	14.0	24.0	71.0	29.0	1.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	19.145[a]	12	.085
Likelihood Ratio	21.445	12	.044
Linear-by-Linear Association	.199	1	.656
N of Valid Cases	139		

There are no significant differences among employees in different Positions regarding their perception of the reasonableness of the company's talent cultivation mechanism after the merger and acquisition.

Table 4-63 The satisfaction levels of company's talent development mechanism after merger by different position

			Very unreasonabl e	Somewhat unreasonabl e	Averag e	Somewha t reasonabl e	Very reasonabl e	Total
Positio n Type	Front-line position	Count	12	13	48	20	0	93
		Expecte d Count	9.4	16.1	47.5	19.4	.7	93.0
	supportin g position	Count	2	11	23	9	1	46
		Expecte d Count	4.6	7.9	23.5	9.6	.3	46.0
Total		Count	14	24	71	29	1	139
		Expecte d Count	14.0	24.0	71.0	29.0	1.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	6.089[a]	4	.193
Likelihood Ratio	6.541	4	.162
Linear-by-Linear Association	.355	1	.551
N of Valid Cases	139		

There are no significant differences in the perception of the reasonableness of the company's talent cultivation mechanism after the merger and acquisition among employees with different Positions.

Table 4-64 The satisfaction levels of company's talent development mechanism after merger by different Job title

		Very unreasonable	Somewhat unreasonable	Average	Somewhat reasonable	Very reasonable	Total
Manager/Senior Manager	Count	14	21	67	26	0	128
	Expected Count	12.9	22.1	65.4	26.7	.9	128.0
Director/Senior Director	Count	0	3	4	3	1	11
	Expected Count	1.1	1.9	5.6	2.3	.1	11.0
Total	Count	14	24	71	29	1	139
	Expected Count	14.0	24.0	71.0	29.0	1.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	14.274[a]	4	.006
Likelihood Ratio	8.754	4	.068
Linear-by-Linear Association	1.663	1	.197
N of Valid Cases	139		

There is a significant difference in the perception of whether the company's talent cultivation mechanism is reasonable after a merger or acquisition among employees with different job titles.

Table 4-65 The satisfaction levels of company's improve yourself after merger by different Whether still employed

		Totally does not meet	Somewhat does not meet	Average	Somewhat meets	Totally meets	Total
Employed	Count	2	2	28	29	2	63
	Expected Count	7.3	8.2	32.6	14.1	.9	63.0
left the company	Count	14	16	44	2	0	76
	Expected Count	8.7	9.8	39.4	16.9	1.1	76.0
Total	Count	16	18	72	31	2	139

Expected Count	16.0	18.0	72.0	31.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	48.166[a]	4	.000
Likelihood Ratio	55.803	4	.000
Linear-by-Linear Association	38.335	1	.000
N of Valid Cases	139		

There is a significant difference between whether an employee is currently employed or not and their belief in the possibility of self-improvement after the company's merger and acquisition. Employees who have already left the company have a higher proportion who believe they "completely cannot" and "comparatively cannot" improve themselves, with no one choosing the option of being able to enhance themselves. On the other hand, still employed employees mostly believe they have "Average" to "Fairly good" opportunities for self-improvement.

Table 4-66 The satisfaction levels of company's improve yourself after merger by different gender

		Totally does not meet	Somewhat does not meet	Average	Somewhat meets	Totally meets	Total
Gender	Male Count	14	12	32	16	2	76
	Male Expected Count	8.7	9.8	39.4	16.9	1.1	76.0
	Female Count	2	6	40	15	0	63
	Female Expected Count	7.3	8.2	32.6	14.1	.9	63.0
Total	Count	16	18	72	31	2	139
	Expected Count	16.0	18.0	72.0	31.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	12.817[a]	4	.012
Likelihood Ratio	14.641	4	.006
Linear-by-Linear Association	4.672	1	.031
N of Valid Cases	139		

There is a significant difference between male and female employees in their belief about the possibility of self-improvement after the company's merger and acquisition. Male employees have a higher proportion who believe they "completely cannot" and "comparatively cannot" improve themselves. Female employees predominantly choose the "Average" option.

Table 4-67 The satisfaction levels of company's improve yourself after merger by different Experience Level

		Totally does not meet	Somewhat does not meet	Average	Somewhat meets	Totally meets	Total
New Employee	Count	6	7	20	10	1	44
	Expected Count	5.1	5.7	22.8	9.8	.6	44.0
Senior Employee	Count	10	11	52	21	1	95
	Expected Count	10.9	12.3	49.2	21.2	1.4	95.0
Total	Count	16	18	72	31	2	139
	Expected Count	16.0	18.0	72.0	31.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	1.505ᵃ	4	.826
Likelihood Ratio	1.472	4	.832
Linear-by-Linear Association	.195	1	.659
N of Valid Cases	139		

There are no significant differences between new and senior employees in their belief about the possibility of self-improvement after the company's merger and acquisition.

Table 4-68 The satisfaction levels of company's improve yourself after merger by different position

			Totally does not meet	Somewhat does not meet	Average	Somewhat meets	Totally meets	Total
Position	Marketing	Count	0	2	11	8	1	22
		Expected Count	2.5	2.8	11.4	4.9	.3	22.0
	Sales	Count	13	11	35	11	1	71

146

		Expected Count	8.2	9.2	36.8	15.8	1.0	71.0
	Channel or Operations	Count	0	2	8	5	0	15
		Expected Count	1.7	1.9	7.8	3.3	.2	15.0
	Finance, Administration, etc.	Count	3	3	18	7	0	31
		Expected Count	3.6	4.0	16.1	6.9	.4	31.0
Total		Count	16	18	72	31	2	139
		Expected Count	16.0	18.0	72.0	31.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	14.792ᵃ	12	.253
Likelihood Ratio	18.518	12	.101
Linear-by-Linear Association	.078	1	.780
N of Valid Cases	139		

Employees in different Positions do not exhibit significant differences in their belief about the possibility of self-improvement following the company's merger and acquisition.

Table 4-69 The satisfaction levels of company's improve yourself after merger by different job title

			Totally does not meet	Somewhat does not meet	Average	Somewhat meets	Totally meets	Total
Job title	Manager/Senior Manager	Count	16	15	69	27	1	128
		Expected Count	14.7	16.6	66.3	28.5	1.8	128.0
	Director/Senior Director	Count	0	3	3	4	1	11
		Expected Count	1.3	1.4	5.7	2.5	.2	11.0
Total		Count	16	18	72	31	2	139
		Expected Count	16.0	18.0	72.0	31.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	10.575ᵃ	4	.032
Likelihood Ratio	9.134	4	.058
Linear-by-Linear	2.001	1	.157

Association

N of Valid Cases   139

Employees with different Job titles show significant differences in their belief about the possibility of self-improvement after the company's merger and acquisition. However, due to the small number of directors' surveys, this conclusion's application should be determined with caution.

Table 4-70 The satisfaction levels of management style after merger by different gender

		Very dissatisfied	Somewhat dissatisfied	Average	Somewhat satisfied	Very satisfied	Total
Male	Count	19	9	25	17	6	76
	Expected Count	11.5	6.0	33.9	20.2	4.4	76.0
Female	Count	2	2	37	20	2	63
	Expected Count	9.5	5.0	28.1	16.8	3.6	63.0
Total	Count	21	11	62	37	8	139
	Expected Count	21.0	11.0	62.0	37.0	8.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	21.757[a]	4	.000
Likelihood Ratio	24.178	4	.000
Linear-by-Linear Association	7.915	1	.005
N of Valid Cases	139		

There are significant differences in satisfaction with the management style of their immediate supervisor after the company's merger and acquisition of male and female employees. Male employees have a higher proportion who are "Very dissatisfied" and "Somewhat dissatisfied," while female employees have a higher proportion who are "Average" in satisfaction and "Somewhat satisfied."

Table 4-71 The satisfaction levels of management style after merger by different experience level

	Very	Somewhat	Average	Somewhat	Very	Total

			dissatisfied	dissatisfied		satisfied	satisfied	
Experience Level	New Employee	Count	4	4	20	14	2	44
		Expected Count	6.6	3.5	19.6	11.7	2.5	44.0
	Senior Employee	Count	17	7	42	23	6	95
		Expected Count	14.4	7.5	42.4	25.3	5.5	95.0
Total		Count	21	11	62	37	8	139
		Expected Count	21.0	11.0	62.0	37.0	8.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	2.484[a]	4	.648
Likelihood Ratio	2.617	4	.624
Linear-by-Linear Association	1.007	1	.316
N of Valid Cases	139		

New and senior employees do not show significant differences in their satisfaction with the management style of their immediate supervisor after the company's merger and acquisition.

Table 4-72 The satisfaction levels of management style after merger by different position

			Very dissatisfied	Somewhat dissatisfied	Average	Somewhat satisfied	Very satisfied	Total
Position	Marketing	Count	0	0	7	13	2	22
		Expected Count	3.3	1.7	9.8	5.9	1.3	22.0
	Sales	Count	19	9	28	12	3	71
		Expected Count	10.7	5.6	31.7	18.9	4.1	71.0
	Channel or Operations	Count	0	0	9	6	0	15
		Expected Count	2.3	1.2	6.7	4.0	.9	15.0
	Finance, Administration, etc.	Count	2	2	18	6	3	31
		Expected Count	4.7	2.5	13.8	8.3	1.8	31.0
Total		Count	21	11	62	37	8	139
		Expected Count	21.0	11.0	62.0	37.0	8.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	37.106[a]	12	.000
Likelihood Ratio	43.179	12	.000
Linear-by-Linear Association	.006	1	.938
N of Valid Cases	139		

Employees in different Positions show significant differences in their satisfaction with the management style of their immediate supervisor after the company's merger and acquisition. Employees in Sales Positions are significantly more likely to choose "Very dissatisfied" and "Somewhat dissatisfied" compared to those in Other Positions. In contrast, employees in Other Positions mostly rate their satisfaction as "Average" or "Somewhat satisfied."

Table 4-73 The satisfaction levels of management style after merger by different position type

			Very dissatisfied	Somewhat dissatisfied	Average	Somewhat satisfied	Very satisfied	Total
Position Type	Frontline position	Count	19	9	35	25	5	93
		Expected Count	14.1	7.4	41.5	24.8	5.4	93.0
	supporting position	Count	2	2	27	12	3	46
		Expected Count	6.9	3.6	20.5	12.2	2.6	46.0
Total		Count	21	11	62	37	8	139
		Expected Count	21.0	11.0	62.0	37.0	8.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	9.512[a]	4	.050
Likelihood Ratio	10.719	4	.030
Linear-by-Linear Association	3.937	1	.047
N of Valid Cases	139		

With a P-value of 0.05, which is close to the level of significance, it indicates a noticeable difference between Frontline position and supporting position employees in their satisfaction with the management style of their immediate supervisor.

Table 4-74 The satisfaction levels of management style after merger by different job title

		Very dissatisfied	Somewhat dissatisfied	Average	Somewhat satisfied	Very satisfied	Total
Job title	Manager/Senior Manager	Count 19	11	58	34	6	128
		Expected Count 19.3	10.1	57.1	34.1	7.4	128.0
	Director/Senior Director	Count 2	0	4	3	2	11
		Expected Count 1.7	.9	4.9	2.9	.6	11.0
Total		Count 21	11	62	37	8	139
		Expected Count 21.0	11.0	62.0	37.0	8.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	4.409[a]	4	.354
Likelihood Ratio	4.218	4	.377
Linear-by-Linear Association	.748	1	.387
N of Valid Cases	139		

There are no significant differences in satisfaction with the management style of their immediate supervisor among employees with different Job titles.

Table 4-75 The satisfaction levels of importance gives to employees after merger by different gender

		Very dissatisfied	Somewhat dissatisfied	Average	Somewhat satisfied	Very satisfied	Total
Gender	Male	Count 16	7	35	17	1	76
		Expected Count 8.7	9.3	39.9	16.9	1.1	76.0
	Female	Count 0	10	38	14	1	63
		Expected Count 7.3	7.7	33.1	14.1	.9	63.0
Total		Count 16	17	73	31	2	139
		Expected Count 16.0	17.0	73.0	31.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	15.866[a]	4	.003
Likelihood Ratio	21.909	4	.000
Linear-by-Linear	5.149	1	.023

Association
N of Valid Cases   139
a. 2 cells (20.0%) have expected counts less than 5. The minimum expected count
is .91.

The satisfaction levels of employees of different genders and the degree of importance given to them by the company's senior management, along with the degree of importance given to them by the company's senior management, show significant differences. Male employees tend to choose "Very dissatisfied" and "Somewhat dissatisfied" more frequently.

Table 4-76 The satisfaction levels of importance gives to employees after merger by different experience level

		Very dissatisfied	Somewhat dissatisfied	Average	Somewhat satisfied	Very satisfied	Total
New Employee	Count	2	2	26	13	1	44
	Expected Count	5.1	5.4	23.1	9.8	.6	44.0
Senior Employee	Count	14	15	47	18	1	95
	Expected Count	10.9	11.6	49.9	21.2	1.4	95.0
Total	Count	16	17	73	31	2	139
	Expected Count	16.0	17.0	73.0	31.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	8.177[a]	4	.085
Likelihood Ratio	9.157	4	.057
Linear-by-Linear Association	6.981	1	.008
N of Valid Cases	139		

There is no significant difference in satisfaction levels regarding the degree of importance senior management places on employees between new and old staff members.

Table 4-77 The satisfaction levels of importance gives to employees after merger by different position

	Very dissatisfied	Somewhat dissatisfied	Average	Somewhat satisfied	Very satisfied	Total

Position			Very dissatisfied	Somewhat dissatisfied	Average	Somewhat satisfied	Very satisfied	Total
Position	Marketing	Count	0	1	11	9	1	22
		Expected Count	2.5	2.7	11.6	4.9	.3	22.0
	Sales	Count	16	12	30	13	0	71
		Expected Count	8.2	8.7	37.3	15.8	1.0	71.0
	Channel or Operations	Count	0	1	10	4	0	15
		Expected Count	1.7	1.8	7.9	3.3	.2	15.0
	Finance, Administration, etc.	Count	0	3	22	5	1	31
		Expected Count	3.6	3.8	16.3	6.9	.4	31.0
Total		Count	16	17	73	31	2	139
		Expected Count	16.0	17.0	73.0	31.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	30.211^a	12	.003
Likelihood Ratio	36.449	12	.000
Linear-by-Linear Association	.357	1	.550
N of Valid Cases	139		

There are significant differences in satisfaction with the degree of importance --senior management places on employees across different positions. Employees in Sales positions tend to select "Very dissatisfied" and "Somewhat dissatisfied" more frequently.

Table 4-78 The satisfaction levels of importance gives to employees after merger by different position type

			Very dissatisfied	Somewhat dissatisfied	Average	Somewhat satisfied	Very satisfied	Total
Position Type	Frontline position	Count	16	13	41	22	1	93
		Expected Count	10.7	11.4	48.8	20.7	1.3	93.0
	supporting position	Count	0	4	32	9	1	46
		Expected Count	5.3	5.6	24.2	10.3	.7	46.0
Total		Count	16	17	73	31	2	139
		Expected Count	16.0	17.0	73.0	31.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)

			Value	df	Asymptotic Sig. (2-tailed)	
Pearson Chi-Square			12.910a	4	.012	
Likelihood Ratio			17.724	4	.001	
Linear-by-Linear Association			5.117	1	.024	
N of Valid Cases			139			

There are significant differences in satisfaction with the degree of importance senior management places on employees based on various positions. Employees in Frontline positions more often choose the options "Very dissatisfied" and "Somewhat dissatisfied."

Table 4-79 The satisfaction levels of importance gives to employees after merger by different job title

			Very dissatisfied	Somewhat dissatisfied	Average	Somewhat satisfied	Very satisfied	Total
Job title	Manager/Senior Manager	Count	16	13	69	29	1	128
		Expected Count	14.7	15.7	67.2	28.5	1.8	128.0
	Director/Senior Director	Count	0	4	4	2	1	11
		Expected Count	1.3	1.3	5.8	2.5	.2	11.0
Total		Count	16	17	73	31	2	139
		Expected Count	16.0	17.0	73.0	31.0	2.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	12.609a	4	.013
Likelihood Ratio	9.746	4	.045
Linear-by-Linear Association	.141	1	.707
N of Valid Cases	139		

Employees with different job titles exhibit significant differences in satisfaction with the level of importance senior management attributes to employees. Those with the job titles of Manager/Senior Manager select "Very dissatisfied" more frequently.

Table 4-80　The main form of benefits After the acquisition with whether still employed

			Performance bonus	Year-end bonus	Recognition	Other	Total
Post-Merger Employment	still employed	Count	26	35	1	1	63
		Expected Count	34.4	24.9	1.4	2.3	63.0

Status	left the company	Count	50	20	2	4	76
		Expected Count	41.6	30.1	1.6	2.7	76.0
Total		Count	76	55	3	5	139
		Expected Count	76.0	55.0	3.0	5.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	12.698[a]	3	.005
Likelihood Ratio	12.903	3	.005
Linear-by-Linear Association	1.754	1	.185
N of Valid Cases	139		

Employees who are still employed and those who have left the company show significant differences in the types of company benefits they receive. Former employees primarily receive Performance bonuses, while those who are still employed are mainly entitled to Year-end bonuses.

4.7.3.4 The most important measure to prevent talent loss

Table 4-81 The measure to prevent talent loss by whether still employed

		Improvement Measures							Total
		Incentives	Assessment	Company Culture	Training	Career Planning	Improvement of Managers' Qualities and Management Skills	Other	
Employed	Count	20	5	12	3	13	9	1	63
	Expected Count	14.3	3.7	13.7	1.9	13.7	14.3	1.2	63.0
	Percentage	31.7%	7.9%	19.0%	4.8%	20.6%	14.3%	1.6%	100.0%
Resigned	Count	3	1	10	0	9	14	1	38
	Expected Count	8.7	2.3	8.3	1.1	8.3	8.7	.8	38.0
	Percentage	7.9%	2.6%	26.3%	0.0%	23.7%	36.8%	2.6%	100.0%
Total	Count	23	6	22	3	22	23	2	101
	Expected Count	23.0	6.0	22.0	3.0	22.0	23.0	2.0	101.0

							2.0 %	100.0 %
Percentage	22.8%	5.9%	21.8%	3.0%	21.8%	22.8%	2.0 %	100.0 %

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	14.956a	6	.021
Likelihood Ratio	16.899	6	.010
Linear-by-Linear Association	10.021	1	.002
N of Valid Cases	101		

The P-value is 0.021, which is less than 0.05, indicating a significant difference.There is a significant association between whether employees are still employed at the company and their view on which improvement measure is most important.

Employees who are still employed and those who have left the company have significant differences in their opinions on measures to address employee turnover.Employees who are still employed tend to favor Incentive mechanisms and Career Planning, considering Performance Assessment and Training to be less effective.

Former employees, on the other hand, are more inclined to value the Improvement of managers' qualities and management skills and company culture, and they also consider performance assessment and training to be less effective. Regarding the Incentive mechanism, which is deemed most important by the Still E mechanism and is deemed most important by the still employed employees, former employees do not consider it to be very effective.

Table 4-82 The measure to prevent talent loss is material or spiritual by whether still employed

			The most important measure to prevent talent loss			Total
			Other	Material	spiritual	
Whether still employed	Employed	Count	1	28	34	63
		Expected Count	1.4	16.3	45.3	63.0
	Resigned	Count	2	8	66	76
		Expected Count	1.6	19.7	54.7	76.0

		3	36	100	139
Total	Count	3	36	100	139
	Expected Count	3.0	36.0	100.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	20.649[a]	2	.000
Likelihood Ratio	21.312	2	.000
Linear-by-Linear Association	13.639	1	.000
N of Valid Cases	139		

The P-value is less than 0.001, which indicates a significant difference between employees who are still employed and those who have already left the company in terms of the company's improvement measures addressing severe talent loss, specifically in the material and spiritual aspects.

Employees who are . In contrast, employees who have left the company prefer improvement measures in the Spiritual aspect and have fewer demands for measures in the Mstill employed prefer improvement measures in the material aspect and have fewer demands for measures in the spiritual aspect. In contrast, employees who have left the company prefer improvement measures in the spiritual aspect and have fewer demands for measures in the material aspect.

Table 4-83 The measure to prevent talent loss by new or senior employee

		The most critical measures to improve talent loss?							Total
		Incentives	Assessment	Company Culture	Training	Career Planning	Improvement of Managers' Qualities and Management Skills	Other	
New Employee	Count	12	2	12	1	8	9	0	44
	Expected Count	8.2	2.2	10.1	.9	9.8	11.7	.9	44.0
Senior Employee	Count	14	5	20	2	23	28	3	95
	Expected Count	17.8	4.8	21.9	2.1	21.2	25.3	2.1	95.0
Total	Count	26	7	32	3	31	37	3	139
	Expected Count	26.0	7.0	32.0	3.0	31.0	37.0	3.0	139.0

Chi-Square Test

value	df	Asymptotic Sig. (2-tailed)

		value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square		5.865a	6	.438
Likelihood Ratio		6.656	6	.354
Linear-by-Linear Association		4.792	1	.029
N of Valid Cases		139		

There are no significant differences between senior and new employees in their views on measures to improve talent retention.

Table 4-84 The measure to prevent talent loss is material or spiritual by new or senior employee

			The most important measure to prevent talent loss			Total
			0	Material	spiritual	
New Employee		Count	0	15	29	44
		Expected Count	.9	11.4	31.7	44.0
Senior Employee		Count	3	21	71	95
		Expected Count	2.1	24.6	68.3	95.0
Total		Count	3	36	100	139
		Expected Count	3.0	36.0	100.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	3.383a	2	.184
Likelihood Ratio	4.206	2	.122
Linear-by-Linear Association	.378	1	.539
N of Valid Cases	139		

Senior and new employees show no significant difference in their views on material or spiritual measures for improving talent retention.

Table 4-85 The measure to prevent talent by position type

			The most critical measures to improve talent loss							Total
			Incentives	Assessment	Company Culture	Training	Career Planning	Improvement of Managers' Qualities and Management Skills	Other	
Position Type	Frontline position	Count	18	5	23	0	21	23	3	93
		Expected Count	17.4	4.7	21.4	2.0	20.7	24.8	2.0	93.0
	supporting position	Count	8	2	9	3	10	14	0	46
		Expected	8.6	2.3	10.6	1.0	10.3	12.2	1.0	46.0

Total	Count	Count	26	7	32	3	31	37	3	139
		Expected Count	26.0	7.0	32.0	3.0	31.0	37.0	3.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	8.420[a]	6	.209
Likelihood Ratio	9.921	6	.128
Linear-by-Linear Association	.167	1	.683
N of Valid Cases	139		

The front-line position and supporting position show no significant differences in the measures used to improve talent retention.

Table 4-86 The measure to prevent talent by Gender

			The most critical measures to improve talent loss							Total
			Incentives	Assessment	Company Culture	Training	Career Planning	Improvement of Managers' Qualities and Management Skills	Other	
Gender	Male	Count	14	3	18	2	18	20	1	76
		Expected Count	14.2	3.8	17.5	1.6	16.9	20.2	1.6	76.0
	Female	Count	12	4	14	1	13	17	2	63
		Expected Count	11.8	3.2	14.5	1.4	14.1	16.8	1.4	63.0
Total		Count	26	7	32	3	31	37	3	139
		Expected Count	26.0	7.0	32.0	3.0	31.0	37.0	3.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	1.309[a]	6	.971
Likelihood Ratio	1.314	6	.971
Linear-by-Linear Association	.002	1	.967
N of Valid Cases	139		

Male and female employees have no significant differences regarding the measures to improve talent retention.

Table 4-87 The measure to prevent talent by Position Type

| | | | The most important measure to prevent talent loss | | | Total |
			Other	Material	spiritual	
Position Type	Frontline position	Count	3	23	67	93
		Expected Count	2.0	24.1	66.9	93.0
	supporting position	Count	0	13	33	46
		Expected Count	1.0	11.9	33.1	46.0
Total		Count	3	36	100	139
		Expected Count	3.0	36.0	100.0	139.0

Chi-Square Test

	value	df	Asymptotic Sig. (2-tailed)
Pearson Chi-Square	1.632[a]	2	.442
Likelihood Ratio	2.558	2	.278
Linear-by-Linear Association	.103	1	.749
N of Valid Cases	139		

There is no significant difference between front-line position and supporting position employees in their views on material or spiritual measures for improving talent retention.

4.7.4 Logistics Regression analysis

Table 4-88   Model Summary of Logistics Regression analysis

Model Summary

Step	-2 Log Likelihood	Cox & Snell R Square	Nagelkerke R Square
1	58.683[a]	.524	.715

a. The estimation terminated at the 7th iteration due to insufficient change in parameter estimates of less than .001.

Table 4-89   Hosmer-Lemeshow Goodness of Fit Test

Hosmer-Lemeshow Goodness of Fit Test

Step	Chi-Square	Df	Sig.
1	2.511	8	.961

Table 4-90   Logistics Regression analysis

Variables in the Equation

		B	S.E.	Wald	Df	Sig.	Exp(B)	95%C.I.for EXP(B) Lower	Upper
Step 1ᵃ	Q2-Gender：	1.242	.844	2.164	1	.141	3.462	.662	18.115
	Q3-Age：	-.773	.668	1.338	1	.247	.462	.125	1.710
	Q4-Work Experience (Years)：	-.470	.501	.883	1	.347	.625	.234	1.667
	Q5-Education：	.313	.710	.194	1	.659	1.367	.340	5.499
	Q6-Years with Acquired Company：	1.149	.490	5.513	1	.019	3.157	1.209	8.240
	Q8-Position：			9.752	3	.021			
	Q8-Position： (1)	-2.891	1.478	3.827	1	.050	.056	.003	1.006
	Q8-Position： (2)	-2.488	1.364	3.326	1	.068	.083	.006	1.204
	Q8-Position： (3)	-6.460	2.112	9.352	1	.002	.002	.000	.098
	Q17-After the acquisition, do you think the company's compensation situation is reasonable?	1.373	.736	3.478	1	.062	3.946	.932	16.700
	Q18-After the acquisition, do you think you can improve yourself in the company?	-2.015	.731	7.604	1	.006	.133	.032	.558
	Q19-After the acquisition, do you think the company's talent development mechanism is reasonable?	-1.953	.873	5.007	1	.025	.142	.026	.785
	Q20-After the acquisition, are	.219	.539	.164	1	.685	1.245	.432	3.583

	B	S.E.	Wald	df	Sig.	Exp(B)		
you satisfied with the management style of your immediate supervisor?								
Q21-After the acquisition, are you satisfied with the level of importance the company's top management gives to employees?	-.270	.654	.171	1	.679	.763	.212	2.747
Q22-After the acquisition, what is the main form of your company's benefits?			10.778	3	.013			
Q22-After the acquisition, what is the main form of your company's benefits?(1)	2.440	2.111	1.336	1	.248	11.477	.183	718.917
Q22-After the acquisition, what is the main form of your company's benefits?(2)	-2.280	2.136	1.139	1	.286	.102	.002	6.736
Q22-After the acquisition, what is the main form of your company's benefits?(3)	1.124	3.555	.100	1	.752	3.078	.003	3267.835
Constant	9.919	5.785	2.940	1	.086	20309.539		

a. Variable(s) entered on step 1：Q2-Gender, Q3-Age, Q4-Work Experience (Years), Q5-Education, Q6-Years with Acquired Company, Q8-Position, Q17-After the acquisition, do you think the company's compensation situation is reasonable?, Q18-After the acquisition, do you think you can improve yourself in the company?, Q19-After the acquisition, do you think the company's talent development mechanism is

reasonable?, Q20-After the acquisition, are you satisfied with the management style of your immediate supervisor, Q21-After the acquisition, are you satisfied with the level of importance the company's top management gives to employees?, Q22-After the acquisition, what is the main form of your company's benefits?

Based on the provided logistic regression analysis results, the following is a categorized summary of items with significant differences in p-values:

Items with a significant impact on employee turnover (p-value < 0.05):

- Years of service within the acquired company (Q6): A significant positive impact (B=1.449, p=.019). The longer the employees have worked in the company post-acquisition, the higher their likelihood of leaving.

- Position Type (Q8): Different Position Types significantly impact employee turnover, with all specific coefficients being negative (p=.021). Compared to Frontline positions, employees in supporting positions are less likely to leave.

- Opportunities for self-improvement (Q18): Employees' perception of whether the company provides opportunities for self-improvement significantly negatively impacts turnover (B=-2.015, p=.004). If the company cannot provide sufficient opportunities for self-improvement, the risk of turnover increases.

- Talent development mechanism (Q19): Employees' perception of the rationality of the company's talent development mechanism significantly negatively impacts turnover (B=-1.953, p=.025). An irrational talent development mechanism increases the risk of turnover.

Items close to being significant but with slightly higher p-values (0.05 ≤ p < 0.1):

- Compensation situation (Q17): Employees' perception of the fairness of their compensation situation positively impacts turnover (B=1.373, p=.062). Although it is close to the significant level, it indicates that unfair compensation may increase t turnover risk.

Other items:

For other variables such as Gender, age group, work experience, Education, satisfaction with direct supervisor's management style, satisfaction with the company's senior management's emphasis on employees, and company benefits, their p-values are

all greater than 0.1. Thus, they do not significantly impact employee turnover in the current model.

It should be noted that these results are based solely on the current logistic regression model and may be influenced by factors such as sample size, data quality, and model settings.

Results.

There are significant differences in the impact of various cultural conflict factors on employee turnover (individual perception).

There are significant differences in the impact of various cultural conflict factors on employee attrition within the enterprise（from a third-party perspective）.

Different cultural conflict factors have a significant differential impact on the turnover of different groups of employees.

Different cultural conflict factors have a significant differential impact on the turnover of different groups of employees.

Different groups perceive significant differences in the effectiveness of various measures to reduce talent turnover rate.

For example， A has been working in S Company for ten years and has been the right-hand man of the business leader for a long time. He is familiar with various situations and history inside and outside the company. From the definition of key talents, these characteristics of A are very valuable to S company, and ordinary people can not randomly replace the work experience and knowledge accumulated over a long period. After A left, S company also quickly found A replacement, but neither from the perspective of experience nor work efficiency, can not reach the level of A in a short time. In addition, the work process itself changed during the integration period after the merger and acquisition, which involved coordination in many aspects, and it became more difficult for the newly arrived replacement to improve the work efficiency in the short term.

It is not difficult to see that when K company acquired S Company, it did not make the overall planning of human resources in advance, and its preparation for the reten tion of key talents was obviously insufficient. If we can make an assessment of the

departments involved, have an in-depth understanding of talent needs, and communicate well about the career development of key talents before the merger and integration, perhaps we can avoid the departure of A, or at least delay the departure of A, so as not to lose the most capable personnel before the completion of the integration.

In addition to the adjustment of responsibilities, the integration of K company also involves the organizational structure of some technical research and development departments. The strength of K's products lies in its strong research and development capabilities, which have always been at the forefront of the industry. K company's research and development specialty mainly focuses on the mechanical part. In order to improve its research and development capability, after the acquisition of S Company, the original software development team of S Company was merged into K Company's Asia Pacific Technology Research and Development Center (hereinafter referred to as TC) and became a department of TC.The intention of acquiring K Company is also to strengthen the research and development capability, and the research and development team after the merger can give full play to the technical advantages.However, from the perspective of the software team of S company, this change has brought some unknown factors into their career development prospects.

(1)Change of position in the organizational structure

The software development team manager used to be a member of the management of S company. He participated in the company's management meetings and had a say in the company's R&D direction and other decisions. However, after being incorporated into the TC R&D department of K company, the software team became a working group of the whole TC and lost its original position in the organizational structure. Although the specific content of the work did not change much for the time being, the psychological gap was very large.

(2)Leadership management changes

From the perspective of the whole software team, it is a core part of the organizational structure of S Company. However, after it was incorporated into the R&D center of K company, the direct leadership and working environment changed, and it is not clear what new content will be added to the work content.

(3)Failure to clarify new work processes and responsibilities in a timely manner

The merger of the software team was in a hurry, so it was not clear how to deal with the software development needs of S Company in the future and who should be responsible for it.For other business departments of S Company, they can't help worrying about whether technical work related to software development will be disjointed in the following projects and cause customer dissatisfaction.

The above unknown factors affected the stability of the software manager and his team to a large extent. Two senior development engineers proposed to quit successively after being incorporated into K Company, and one of them was retained through various efforts, but the other engineer left the team. The project that this engineer was responsible for was not finished at that time, and it was still in the on-line test.

When he left, the project was handed over to another engineer, which to some extent affected the progress of the finishing work of the project and also caused some negative influence on the client.

The merger of software development teams, from the perspective of the company, is the enhancement and improvement of technical capabilities.Since the two companies have merged, they should fully combine their technological capabilities to strengthen their competitive advantage.However, in the process of implementing the merger, the management of the two companies failed to make hiring plans in advance and failed to timely communicate and deal with the career development doubts arising from the software team, which eventually resulted in the loss of key talents.

The internal communication of the enterprise, combined with the two-factor theory mentioned above, belongs to the health factor.For the change of enterprise structure, merger and integration, management and employees should fully communicate, although it can not directly make employees feel satisfied, but can prevent employees from worrying and dissatisfied emotions.The software team of S company was merged into TC department of K suddenly, and there was no active communication with the implementation in advance, and no special working group was responsible for explaining the work adjustment and plan involved in the merger. As a result, employees had no questions in their minds and were easily dissatisfied with the working environment and the new working relationship, resulting in increased turnover intention.

Differences in bonus and employee welfare

Bonuses and welfare are vital to employees' interests, and any adjustment can directly affect employees' satisfaction with their work, which is the most important and immediate motivating factor.After the merger of S Company and K Company, the compensation and welfare of the two companies were significantly different, which is mainly reflected in the following aspects:

Bonus structure

Like most foreign enterprises, S Company and K company put a variable bonus into the salary structure and have different incentive policies for key talents and important positions.As an additional incentive, the bonus is not a fixed income, but whether or not to be paid and the amount to be paid each year according to the company's performance and the employee's personal performance.Although the general structure of the two companies is the same, Company K makes a more detailed allocation of floating bonus, divides different types of key talents and adopts different methods to motivate them.

After the merger and acquisition, K company required S Company to maintain the same bonus system, raised the lower limit of the performance bonus to 70%, added the requirement of achieving the EBIT index, and maintained the upper limit of 200%. This adjustment directly affected the vital interests of sales staff, department managers and key technical staff. Not only was the original minimum of 50% raised to 70%, but the condition requirement that EBIT must reach the lower limit was also added. However, the positions of these talents are the core functions of S company, and their working status directly affects the performance of the company and the whole team ,They will leave their jobs naturally.

4.8 Deep interviews with senior management teams

We interviewed the company M and Company K senior management team, including China General manager, Senior business director, financial director, operation director and, marketing director, etc. The executives who participated in the merger and acquisition have many experiences in mergers and acquisitions and integration.

Company K, the acquired part, is mainly local research and developed and listed on the New York Stock Exchange in the United States. After M's merger and acquisition, a dual-brand strategy was formed in the market for different segments customers. Since the executives require anonymous presentation in the paper, we do not disclose their identities.

Table 4-91 Cultural Integration Executive Interview Data Collection

Key factors	Specific content
1 Own culture, integration of experience and abilities	A .M has strong integration ability and rich experience in mergers and acquisitions. It had over 30 M&A experience. B.M has the ability to integrate, resources and "internal power",A clear integration idea and plan were formulated before the merger and acquisition. C. successful merger and acquisition integration Company K belongs toTop medical device company in China.
2 As the interface of business partners	A M worked with the consultant team to do due diligence. B Investment Fund plays an important role with Goldman Sachs Group. C M chooses three partners with certain strength.
3 Eliminate the other party's sleepiness Confused, strengthen communication, Respect each other's culture	At the beginning of the merger, about 80% of employees did not support the acquisition. …… A.M's Culture eliminates the original concerns and enhances the sense of belonging of employees.。 B.K company avoided the wording mergers and acquisitions carefully and they chose Cooperation replace the word Acqusition . C M company Commitment 123 Principle: 1 is M company and Kang HuiIt's a family, 2 is two brands. That is, M company and K company exist at the same time, targeting different target markets. 3 are the three basic principles: that is, to maintain K company Management team and The workforce is stable and maintained. For Company K talents, The company released "Talent Retention Program", D M company asked employees to take the initiative to think about problems from each other's standpoint. E integrate into the local language by changing yourself rather than changing each other. F M company is based on integrity, empathy, and the scheme design takes into account the enterprises, employees and governments of both sides. Government, society and other interests to achieve "multi-win". G M company should really stand from the perspective of

	each other's enterprises and employees.It is reasonable and can make the double All parties can have a profitable acquisition plan. J M company insists on not engaging in layoffs and diversion, not changing the leadership team, and only sending relevant personnel to be responsible for both. The party's coordination and communication matters. The adoption of the model of "Italian governance, a high degree of autonomy" has stabilized the military's heart. With a smooth transition, the two enterprises with huge cultural differences can haveSequentially in running-in Integration.
4 Cultural Interaction Party Standards	A Medtrony follows international rules, respects their respective cultures, and learns from each other's advantages. The senior management of M company also told Kangkui employees :Kang Hui was the largest orthepedic company in China. C M company is not treated as a "conqueror", but as a relatively "weak" attitude.Kang Hui (Such as not adjusting the original management team, etc.) D Restructuring mergers and acquisitions does not mean the annexation of another enterprise by one enterprise, but the two sides working together. Heart, create a new platform for collaborative development. E Internationalization is not economic colonization, not cultural colonization, not whoever buys or conquers whom, but It is to establish common interests and achieve common development under a common vision. From the early communication to the later integration, the general manager has been telling the country.Internal high-level,Kang Hui have high-quality resources For property, intellectual property rights and human resources, M company should respect and learn from Company K.
5 Treat cultural with Different ways	A .The corporate culture is different in many aspects, such as promoting corporate social responsibility, employee loyalty, and employee benifits. B.Company K's management system and evaluation system remain relatively independent. C. Company K has excellent domestic brands, excellent quality and advanced technology, cost control, operation and management. Well done. D"Kang hui ahd good quality before the merger and acquisition. Kang HuiThe management team is excellent. Kang Hui used to be a good vendor which had 10 years of OEM experience for Johnson & Johnson.

6 New culture generation Way	A .The same vision can motivated employees both M company and Kang Hui. B.To solve the system of both sides Advantages, disadvantages and compatibility, synthesize the new system of post-merger and acquisition. C M company "inclusion, sharing and responsibility" reflected in the acquisition process,It is inseparable from the strong tolerance and support of the corporate culture.
7 Implementation of negative preventive measures	A. On the basis of the establishment of a sound culture and system, the enterprise can form a management mode with strong execution, high efficiency and smooth flow B． M company and Comfort employees often organize exchange activities to integrate cultures and enhance synergies C． M company also regularly organizes the backbone staff of Comfort to visit the headquarters of M company and communicate in the customer experience center and clinical animal testing center, so as to promote the integration of Comfort staff into the big family of M company D． Management and staff have regular exchanges and open discussions to enhance their understanding of each other's culture.
8 Implementation of positive guidance mechanisms	A. On the basis of the establishment of a sound culture and system, the enterprise can form a management mode with strong execution, high efficiency and smooth flow B． M company and Comfort employees often organize exchange activities to integrate cultures and enhance synergies C． M company also regularly organizes the backbone staff of Comfort to visit the headquarters of M company and communicate in the customer experience center and clinical animal testing center, so as to promote the integration of Comfort staff into the big family of M company D． Management and staff have regular exchanges and open discussions to enhance their understanding of each other's culture.

Comparison of bonus and welfare policy differences between Company M and Company K

Bonus and welfare are the vital interests of employees, and any adjustment can directly affect employees' satisfaction with their work, which is the most important and immediate motivating factor. After the merger of M Company and Company K, the compensation and welfare of the two companies are significantly different; this is mainly reflected in the following aspects, as shown in below table.

Table 4-92 Comparison of Bonus and Welfare Policy Differences between Company M and Company K

Bonus category and contrast	Referring to a position or function	M company		Company K	
		Pre-merger compensation policy	Post-merger compensation policy	Heyi rank	Compensation policy
Performance bonus (Variable Salary)	Department manager	Reach the minimum 50% The bonus is capped at 200%	Reach the lower limit 70% The bonus is capped at 200% If EBIT does not reach U, the company has the right to adjust or cancel part of the bonus	12-16	The lower limit of the target reached 70% The bonus is capped at 200% If the EBIT does not reach the minimum value, the company has the right to adjust or cancel the bonus
	Key technical personnel (Project Engineer, Designer)			9 to 11	The lower limit of the target reached 70% The bonus is capped at 150%
	Sales staff			9 to 11	The lower limit of the target reached 70% The bonus is capped at 200%. If the EBIT does not reach the minimum value, the company has the right to adjust or cancel the bonus.
Variable bonus (Bonus)	Ordinary staff	1-3 months 'salary	0-4 months salary	5-10	0-4 months salary as a floating bonus

Travel allowance	Sales personnel, project personnel, after-sales technical personnel	Short-term business trip only Subsidy policy	Short-term business trip only Subsidy policy	-	For short-term and long-term business trips, there are more substantial and detailed subsidy policies. For long-term overseas visits, you can enjoy additional benefits such as housing and family leave.

Chapter 5 Integration measures of merger and acquisition culture

Through exploring the current situation and problems of M Company's acquisition of K corporate culture integration, it can be seen that its cultural integration effect is poor and has many problems. This paper focuses on the focus of post-merger cultural conflict -- behavioral cultural conflict and proposes the solution of behavioral cultural conflict and the direction of cultural integration efforts by combining the mode and level of cultural integration.

5.1 Strengthen communication and enhance employee emotion management.

Almost all businesses will face different challenges when merging and acquiring other businesses. Effective communication is the only way to overcome these challenges, which might stem from disputes brought on by poor cultural integration, ambiguous leadership roles, or insufficient policy implementation. Most employees in mergers and acquisitions are reluctant to let go of the past and prefer the original corporate culture despite the numerous business operations that have altered. Employees experience psychological discomfort because corporate cultures vary across different systems, and the behavioral problems are made worse by the antagonistic feelings that accompany this worry. Following that, employees' drive gradually fades and slow work emerges. In order to prevent employee disputes and confrontations, communication should occur as early as feasible during the merger and acquisition process.

The merger and acquisition process should be patient and detailed in all kinds of communication and employee emotion management and actively explain the corporate culture and the development direction of the company, which will reduce employees' resistance and increase their sense of corporate culture. Departments should analyze and summarize the problems generated and give positive feedback to the company leaders to find solutions. Leaders strengthen communication with employees to understand the conflict points and improve the work process. Company M actively hold employee seminars, organize inter-department coordination meetings, establish employee feedback channels, etc., communicate with the acquirer more about the problems arising

from the merger and acquisition, and find out a system more suitable for the development of the enterprise. Only by constantly strengthening communication in all aspects, we put lots of efforts to avoid kinds of conflicts during M&A in time.

At the same time, enterprises should actively carry out various cultural activities, such as competitive competitions, quizzes, outdoor activities, social assistance, etc., which can not only increase employees' communication but also make them cooperate more highly, so that employees can realize the superiority of the new corporate culture and gradually generate a sense of belonging to the enterprise.

5.2 Develop a comprehensive cultural integration plan

Cultural integration programs are programs and guidelines for specific integration actions and should be as comprehensive as possible, both in terms of content and in other areas. Content, the enterprise culture contains four aspects is a kind of from the inside-out, layer by layer progressive relationship. Therefore, the cultural integration program should pay attention to the focus of culture conflicts, and at the same time, it should also pay attention to the deeper cultural aspects. Otherwise, it can only "treat the symptoms instead of the root cause" and cannot achieve a good cultural integration effect. As for the main body, cultural integration is mainly implemented by the management level, but it cannot be separated from all employees' common recognition and implementation. Therefore, in the integration plan, we should take into account the status and role of all posts and employees at all levels in cultural integration and make targeted deployment in advance.

5.2.1 *Strengthen the cultural review of both sides.*

"Only by knowing yourself and your enemy can you win every battle." Only by having a deep and accurate grasp of the corporate culture of both sides can the merger and acquisition of corporate cultural integration achieve significant results. On the one hand, cultural review can effectively prevent the risk of improper selection of M&A targets. Prior to the cultural review of the

two sides of the merger enterprise, if it is found that the two cultures are quite different, or even contradictory, and there is no possibility of integration, the risk can be nipped in the bud. On the other hand, cultural review is a re-sorting of the cultures of both parties, which can help both parties to clarify the strengths, weaknesses, and cultural foundations of their respective cultures, provide a foundation for subsequent cultural integration, and formulate a comprehensive corporate cultural integration plan on the basis of accurately grasping the corporate cultures of both parties.

5.2.2 Scientific selection of integration mode

There are many models of cultural integration, but each has its own scope of application. Injection cultural integration mode is simple, rough, and violent, high risk, easy to ignore, stifle the excellent culture of the acquired enterprise. Therefore, in the process of using this method, attention should be paid to ways and methods to avoid blindly inculcating corporate culture into the acquired enterprise without any choice. At the same time, high attention should be paid to the psychology and behavior of employees after a certain aspect of culture is injected. M chose the injection cultural integration model as a one-size-fits-all merger with K.M Company, as an enterprise growing from the merger and acquisition of MNC in recent years, it does not have a deep cultural foundation.

On the contrary, K was founded in the early 21st century, and has formed its own unique corporate culture in the long-term market competition. The two sides have similar cultural forces and characteristics, so the cultural integration mode does not suit the actual situation of the two sides. Therefore, in the actual operation process, enterprises need to start from the actual situation, according to the specific situation changes, in turn or at the same time to use multi-cultural integration mode, to achieve the best integration effect.

5.2.3 Properly control the integration speed

In terms of the implementation speed of the cultural integration program, leaders subjectively believe that cultural integration should be planned in the

long term and implemented gradually to avoid the dangerous situation that the enterprise cannot control. However, according to the results of the questionnaire, most employees hope that the enterprise can quickly implement the cultural integration plan. Procrastination and slow progress will only increase the anxiety and boredom of employees under certain circumstances. According to different levels of corporate culture, cultural material, behavior, and system can be easily perceived and grasped at the peripheral level of culture, so cultural integration should be implemented as soon as possible. In order to ensure the quality and efficiency of the integration plan, the enterprise can adopt the project management method to decompose the cultural integration objectives of a certain aspect layer by layer and implement them to specific things and people. On the one hand, the integration personnel should take various measures to deepen the employees' recognition of the new corporate culture. On the other hand, they should be very patient and persevere in shaping the new culture and the employees' recognition so as to leave adequate psychological adjustment opportunities for the employees.

5.3 Leaders actively carry out cultural integration

Cultural integration is a very intricate and methodical project that requires the leadership's constant attention and backing. After a merger or acquisition, top management must handle a lot of work and doesn't have time to focus on cultural integration. In order to fully manage cultural integration and integrate it into daily management tasks, the company should establish a leading group for cultural integration as soon as feasible following the merger and acquisition. On the one hand, senior management needs to focus more on integrating cultures; on the other hand, group decision-making can greatly increase the quality of decision-making and reduce individual decision-making errors. Performance reviews have an impact on management's behavior because they are senior personnel The evaluation of management following the merger often concentrates on metrics like market share and profit growth. Senior management must now prioritize sales performance while ignoring cultural integration due to this performance appraisal mindset. Nevertheless, in a setting of cultural tensions and contradictions, economic success is merely a

fleeting phenomenon that cannot be sustained over the long term and may potentially weaken the basis for business growth. In order to improve the leadership's emphasis on cultural integration, it is advised that the company include cultural integration in the management's performance evaluation after the merger.

Managers at different levels have different responsibilities in enterprises' production and operation management, and the businesses and personnel they contact are also different. Therefore, enterprises should be aware of the different roles of different management levels in cultural integration to implement the cultural integration plan with target. Generally speaking, senior management mainly starts from the overall situation, designs cultural integration plans, redefines business philosophy and organizational mission, and passes it on to middle and lower management. On the basis of learning and understanding the "formal expression" of corporate culture proposed by senior management, middle and lower management pass it on to ordinary employees. Middle managers, who are between the senior management and the ordinary staff, play a connecting role in the cultural integration program. At the same time, because middle and lower management are in a lower management position, they have more opportunities to contact ordinary employees. Communication at work and communication in daily life make them closer to each other. Therefore, when the middle and lower management implement the cultural integration plan, the staff's attitude resistance or identification is affected by the closeness of the relationship. Middle and lower management should have strong action power and a good foundation for employee relationships. As the "top level", senior leaders should be good at building an optimized team in the cultural integration and promote the cultural integration with the help of team wisdom. At the same time, middle and lower-level managers should have a deep understanding of their own role, have the courage to take responsibility, shine and contribute to the process of cultural integration.

Leaders play a guiding role like beacons in the cultural integration of enterprises, so they need both internal and external cultivation and excellent qualities. According to the trait theory of leaders, an excellent leader should have the gumption to wait for no time, the strong desire to lead, the sincere

and upright personal cultivation, the positive and optimistic confidence, the resourceful wisdom, and the rich work experience. These characteristics are particularly important in all aspects of cultural integration. Enterprise leadership should cultivate both inside and outside, constantly improve self-cultivation and ability, and lead the way and do good deeds in cultural integration.

5.4 Increase employee participation

5.4.1 Smooth communication channels

In the process of cultural integration, employee participation directly affects the effect of integration. In ation. By integrating merger and acquisition culture, we should communicate information in multiple ways to ensure that information is delivered to employees in a timely and accurate manner. Specifically, we can set up a reception day for leaders, set up a special channel for employees' opinions, and make full use of social software, internal journals, seminars, and other effective communication methods. Enterprises should pay attention to the smooth communication channels of information. On the one hand, the channels of information transmission should be straightened out, and the responsibility of communicating with specific employees should be implemented. Make clear the specific work requirements of the company for employees, and inform them of the salary, welfare and promotion channels concerning the vital interests of employees in a timely manner. On the other hand, multiple channels of information access should be opened for low-level employees, such as manager's mailbox, manager's reception day, special seminars and so on. This improves the enthusiasm and possibility of employees participating in the cultural integration program, which is conducive to improving the program's quality and alleviating employees' resistance to a large extent. When employees truly experience their own status and role in cultural integration, they will naturally cooperate actively to seek better integration effect, and they will be full of confidence in the future of the company and take the initiative to carry out various work.

5.4.2 Strengthen education and training

Employee training is an important means of cultural integration, especially in the integration of system culture, training shows unique advantages. On the one hand, it can make employees familiar with the new system as soon as possible and eliminate the strange fear of the new process and new office means. On the other hand, employees can communicate with each other during training to strengthen their sense of closeness. Therefore, after the merger and acquisition of enterprises, diversified employee education and training should be carried out, especially focusing on influential key employees whose business implementation, code of conduct, and ideology can be cultivated to produce a model-driving effect on ordinary employees. Staff training methods are flexible and varied. Traditional teaching training can invite experienced behavioral organizing masters to focus on strengthening. It can also organize themed activities such as mutual help and sports programs to strengthen emotional connection between employees. Watch and record the development process of the enterprise video data, trigger the internal resonance of employees. In addition, various forms of seminars, publicity meetings, commendation meetings, and other forms of staff training. Middle and senior management are examples and models in the practice of corporate culture, and their values and codes of conduct will be directly transmitted to employees.

5.4.3 Setting a benchmark

The award and selection of outstanding personnel in an enterprise plays a positive role in promoting the development of an enterprise. The quality of an enterprise's culture can be reflected in the actions of outstanding employees. Employees do not adapt to the system and culture of the new enterprise is often no one to take the lead in practice, the lack of guidance personnel. Enterprises can select excellent leaders from leaders and employees and guide employees to adapt to the new corporate culture through various ways such as rewards, guidance, and leading implementation so that employees can recognize the various systems of the new company and reduce the confusion

caused by cultural transition. The benchmark plays an exemplary role. Through continuous selection and reward, the surrounding employees are led to carry out an activity together, which shortens the employees' inadaptability to the new enterprise, reduces their fear and resistance, and continuously increases their enthusiasm to promote the positive development of the enterprise.

In addition, enterprises should do a good job in the application of publicity carriers and expand corporate culture publicity through local advertising media, logistics vehicles, office paper, envelopes, bags, and other corporate logos, so that employees have a sense of collective honor for the new enterprise, not to identify and integrate into the new enterprise.

Chapter 6 Conclusion

This paper mainly studies the focus of culture conflicts in the merger of state-owned medical and private enterprises. It proposes corresponding measures based on the cultural characteristics and cultural integration status of MNC and private enterprises. Through empirical analysis and theoretical combing, this paper draws the following conclusions.

First, the focus of culture conflict in the merger of MNC and private enterprises is behavioral culture conflict. MNC and private enterprises have formed unique corporate culture in the long-term development process. The merger and collision between them will inevitably produce culture conflict, but manifests itself in all aspects. Through questionnaire survey, this paper collected the performance of culture conflict after the merger of K. Through empirical analysis, it was concluded that the behavioral culture conflict after the merger was the most prominent, which was mainly manifested in the overall organizational level and the individual level of employees. At the same time, combined with the interview and theoretical combing, it is found that the behavior culture conflict is the explicit conflict, and the control culture and spiritual culture conflict is the root of the behavior culture conflict.

Second, the problem of cultural integration. Based on the data statistics of the fourth part of "Investigation on culture conflict and integration Factors of Mergers and acquisitions Enterprises", combined with individual interviews of management and employees, this paper finds that there are four aspects of cultural integration problems in the merger and acquisition of private enterprises by MNC companies. First, the integration of corporate culture after the merger is in a superficial form, staying in the material and cultural level of product packaging, advertising, office environment, etc., and the integration of system basically stays in the text system and wall system level, without combining the advanced system with the actual situation of the enterprise after the merger. Secondly, the cultural integration uses injection, and the mode is single, mainly because of the acquirer's cultural superiority and management inertia. Third, the leadership ignored the cultural integration, poor performance. It is difficult to grasp because of the concealment and complexity of corporate culture. Leaders ignore the importance of cultural

integration due to their limitations. Even if some leaders realize the importance of cultural integration, the effect of cultural integration is not satisfactory due to their lack of experience and skills. Finally, employee participation is low, the subject position of the merger and acquisition parties is unequal, the cultural integration plan is not timely and accurately communicated and implemented, and some employees are conservative and reject the culture of the new enterprise.

Thirdly, cultural integration measures o, through exploring the current situation and problems of the cultural integration of K medical enterprise acquired by M, shows that its cultural integration effect is poor and there are many problems. This paper focuses on the focus of post-merger culture conflict -- behavioral culture conflict and puts forward the direction of cultural integration efforts by combining the mode and level of cultural integration.

Strengthen the cognition and examination of the cultural differences between the two sides, to "know oneself and the enemy", and formulate a comprehensive cultural integration plan, including integration mode, integration speed and integration scope, based on accurately grasping the corporate culture of both sides. First of all, we should fully consider the adaptation conditions of various cultural integration modes and choose the appropriate integration mode without any one condition under the guidance of enterprise development strategy and cultural construction. Secondly, considering the anxiety and irritability of employees to the unstable environment, the speed of cultural integration should be accelerated to establish a new stable corporate system culture as soon as possible. Finally, the integration plan covers as much as possible, including material, system, behavior, and spiritual culture horizontally, and focuses on the progressive influence relationship between the four vertically on the vertical progressive influence relationship between the four. On the main body, the integration program should involve the extensive participation of the leadership and employees.

The leadership attaches importance to and actively carries out cultural integration. First, we should pay attention to the assessment orientation after the merger and acquisition so that the assessment standards have a positive impact on employee behavior in the integration of corporate culture and avoid

simply pursuing profit indicators. Secondly, managers at different levels have different responsibilities in enterprises' production and operation management, and the businesses and personnel they contact are also different. Therefore, enterprises should be aware of the different roles of varying management levels in cultural integration, which is conducive to the targeted implementation of cultural integration programs. Thirdly, the deepest part of corporate cultural integration is integrating ideas, consciousness, and concepts. Therefore, in addition to paying attention to the different roles of leadership means and leadership levels in cultural integration, the leadership should also pay attention to the important role of soft strength such as its own quality, talent, and personality attractiveness.

Improve employee participation, strengthen training, etc. Workers are an important component of the culture conflict in the merger of MNCs and private enterprises. Without extensive participation and cooperation of employees, cultural integration cannot achieve good results. To participate in cultural integration, employees need to understand the relevant information in a timely and accurate manner. Enterprises can adopt interactive seminars, internal magazines, network communication, and other effective communication tools to let employees fully understand the issues related to cultural integration and encourage them to speak out and offer suggestions actively. Employee training is an important means of cultural integration. On the one hand, it can make employees familiar with the new system as soon as possible and eliminate the unfamiliar fear of the new process and new office means. On the other hand, employees can communicate with each other during training to strengthen their sense of closeness.

References

A.Nahavandi, & R.Malekzadeh. (1993). Organizational Culture in the Management of Mergers[M], London : Quorum Books, 357-359.

Barkema, H.G. & Vermeulen F. (1998). International expansion through start-up or acquisition: A learning perspective. Academy of Management Journal, 41, 7-26.

Barney, J.B., (1991). Firm Resources and Sustained Competitive Advantage [M], Journal of Management

Bartunek, J. M., Huang, Z., & Walsh, I. J. (2008). The development of a process model of collective turnover. Human Relations, 61(1), 5-38.

Bastien, D. T. 2006. "Common patterns of behavior and communication in corporate mergers and acquisitions." Human Resource Management 26: 17-33.

Berry, J.W., & Annis R.C. (1974). Acculturative Stress:The Role of Ecology, Culture and Differentiation [J]. Journal of Cross -Cultural Psychology, 5(5), 382-406.

Birkinshaw, J. (2000). Managing the Post-acquisition Integration Process: How the Human integration and Task Integration Processes Interact to Foster Value Creation. Journal of Management Studies, 37, 395-425.

Birkinshaw, J., H. Bresman, and L. Håkanson. 2000. "Managing the Post-acquisition Integration Process: How the Human integration and Task Integration Processes Interact to Foster Value Creation." Journal of Management Studies 37: 395-425

Bligh, M. 2006. "Surviving Post-merger 'Culture Clash': Can Cultural Leadership Lessen the Casualties?" Leadership 2: 395-426

Brown, C. W., & Ghiselli, E. E. (1953). Prediction of labor turnover by aptitude tests. Journal of Applied Psychology, 37(1), 9-12.

Bruce, W.P., & Perella, Joseph, R. (1991). Firm Defends Iterco organization [J] .Wall Street Jumal (Eastemn eto edition), 103(3), 15-16.

Cartwright. Cooper. (1993). The Role of Culture Compatibility in Successful Organizational Marriage [J]. Academy Management Review, (2), 57-70.

Chatteijee Lubatkin. (1992). Cultural Differences and Shareholder Value in Related Mergers Linking Equity and Human Capital [J] .Strategic Management Review, (13), 319-334.

Chen, Y. S. (2013). Exploration of talent retention factors in Taiwan [Doctoral dissertation, Sun Yat-sen University]. Retrieved from https://dspace.nsysu.edu.tw/xmlui/handle/NsysuRepository/36631

Cui Ming, & Lu Zhenzhen, & Huang Yueci. (2009). Study on the Differences and Influencing Factors of the Culture of State-owned Enterprises and Private Enterprises [J]. East China Economic Management, 22(2), 112-115.

Deng, J., Liu, X., & Tian, S. (2019). A review and prospect of collective turnover research. Journal of China Labor Relations College, 33(02), 109-116.

Dong Zhoufa. (2020). Strategic analysis of the construction of private enterprise culture [J]. Chinese and Foreign Entrepreneurs, 37(13), 245-246.

Felps, W., Mitchell, T. R., Hekman, D. R., Lee, T. W., Holtom, B. C., & Harman, W. S. (2009). Turnover contagion: How coworkers' job embeddedness and job search behaviors influence quitting. Academy of Management Journal, 52(3), 545–561.

FRENSCH, F. (2007). The Social Side of Mergers and Acquisitions: Cooperation relationships after mergers and acquisitions, Springer Science & Business Media.

Gao, F. Y. (2014). Some thoughts on how Southeast Shipyard retains talent with corporate culture. Fujian Agricultural Machinery, (01), 40-42.

Gong Xiangchen. (2012). On the current situation of the culture of state-owned enterprises and the countermeasures to improve [J]. Shandong Social Sciences, 26(3), 174-176.

Hall. Edward. T. (1996). Beyond Culture[M], Garden City, New York : Anchor Books

Han Haibo (2017). Cultural integration after enterprise merger and acquisition [J]. Modern Business, 19 (3) :141-142.

Hu Sumin. (2018). The impact of corporate culture on technological innovation is based on the perspective of cultural intensity [J]. Journal of

Beijing University of Posts and Telecommunications (Social Science Edition), 20 (6) , 42-51.

Huang Yan. (2011). Differences in the motivations of mergers and acquisitions between China and foreign countries and the adjustment of China's mergers and acquisition strategies in the post-crisis period [J]. Modern Finance, 31(1), 39-44.

Jiang, B. (2010). A study on the compensation incentive model for core employees in small and medium-sized enterprises [Master's thesis, Capital University of Economics and Business]. Retrieved from https://kns.cnki.net/kcms2/article/abstract?v=RsYUK1W_Gsg_8Hn1Ce M-L-weEbs1bdsMHG1GzFi5pQkmRc8Br4CJFlPovvgKVMTK8ucmoA QZngxROhbUdOy_5QQ9n4UuzpYbilOBFzu3qAGCs_WKtaonRLXPA ZDa6mUtGgQwktcqtCfMvz06lFLxRw==&uniplatform=NZKPT&langu age=CHS

Jiang, J. (2016). A brief discussion on employee retention strategy. Science and Technology Vision, (14), 314-315. https://doi.org/10.19694/j.cnki.issn2095-2457.2016.14.234

Junichi Yamanoi, & Hiroki Sayama. (2013). Post-Merger Cultural Integration from a Social Network Perspective: A Computational Modeling Approach [J].Comput Math Organ Theory, 19(4), 515-537.

Lakshman, C. 2011. "Postacquisition cultural integration in mergers and acquisitions: a knowledge-based approach." Human Resource Management 50: 605-623.

Lan Siyu. (2019). Integrated research on mergers and acquisitions of enterprises in the pharmaceutical industry [J]. Market Forum, 41 (3), 55-57.

Langley, A., K. Golden-Biddle, T. Reay, J. L. Denis, Y. Hébert, L. Lamothe, and J. Gervais. 2012. "Identity Struggles in Merging Organizations Renego

Lebas M. (2005). Making mergers and acquisitions work: trategic and psychological preparation [J] .Academy of Management Executive 30(25): 43-45.

Liu Guangming. (2002). Corporate Culture [M]. Beijing: Economic Management Press, 132-133.

Lu Xiaoli, & Cheng Yuxing. (2013). Research on the Factors Affecting the Integration of Corporate Culture of Private Enterprises and Acquisitions of State-owned Enterprises - Case Analysis of Oriental Hope Group Merger and Acquisition of Pengwei Petrochemical [J]. Management Case Studies and Reviews, 6 (1), 1-9.

Luo Fan. (2001). Analysis on the Questionnaire Survey of Chinese Enterprise Organization Conflict [J]. Journal of Wuhan University of Technology, 23 (2) : 52-63.

Malekzadeh, A.R., & Nahavandi, A. (1990). Making Mergers Work by Managing Cltures [J] Jumal of Business Srategy, 11(6), 55-57.

Mark L.Mitchell, & J.Harold Mulherin. (1996). The Impact of Industry Shocks on Takeover and Restructuring Activity [J] .Journal of F inancial Economics, 41(2), 193 -229.

Mark Mitchell Le Mirvis, & Philip H. (1992). Track the Impact of Mergersand Aquisitions[J] .Personnel Jumal, 71(4), 10-35.

McGraw-Hill Learning Solutions (19th ed.), *Crafting a and Executing Strategy: Concepts and Readings* (pp. 90–120). Boston, MA: Author.

Medina, E. (2012). Job Satisfaction and Employee Turnover Intention: What does Organizational Culture Have To Do With It [Doctoral dissertation, Columbia University]. ProQuest Dissertations Publishing. (Accession No. AAT 3507222)

Michael C, & Jensen, & Richard S, & Ruback. (1983). The Market for Corporate Control: The Scientific Evidence [J] Journal of Financial Economics, 10(11) , 5-50.

Michael C, & Jensen,William H, & Meckling.(1979). Theory of The Firm: Managerial Behavior, Agency Costs,and Ownership Structure [J] .Rochester Studies in Economics and Policy, 20(1), 163 -231.

Ming Dong, & David Hirshleifer, & Scott Richardson, & Siew Hong Teoh. (2006). Does Investor Misvaluation Drive the Takeover Market? [J]. The Journal of Finance, 61 (2), 725-762.

Mitchell Lee Marks, & Philip Mirvis, & Ron Ashkenas et al. (2014). MAKING THE MOST OF CULTURE CLASH IN M&amp, A[J]. Leader to leader, Winter TN.71, 45-53.

Mitchell, T. R., Holtom, B. C., Lee, T. W., Sablynski, C. J., & Erez, M. (2001). Why people stay: Using job embeddedness to predict voluntary turnover. Academy of Management Journal, 44(6), 1102–1121.

O'Reilly C.A., & Chatman J. (1996). A.Culture as Social Control. In B. M. Staw and L.L.Commings(eds.) [J]. Re- search in Organizational Behavior, 18(1):157-200.

P. Harris, & R.T. Moran. (1987) Managing Cultural Differences[M]. Gulf Publishing Company.

Price, J. L. (1977). The study of turnover. Ames, IA: Iowa State Press.

Price-Prichett, & Donald Robinson, Translated by Zhang Kai, Zhu Youxi, et al. (2005). After M&A - Authoritative Guide to Successful Integration [M]. Beijing: Machinery Industry Press 30-49

Rudolf R.Sinkovics, & Noemi Sinkovics, & Yong Kyu Lew. (2015). Antecedents of marketing integration in cross- border mergers and acquisitions[J].Integrational Marketing Review, (1), 2-28.

Schein,EH. (1984). "Coming to a New Awareness of Organizational Culture,, [J].Sloan Management Review, 25(2):3-15

Shenkar WY. (2008). National and Corporate Culture Inmergers/Acquisitions: Anexporatory study [J].Management Science, 55(11): 89-96.

Song Yun. (2006). An Empirical Study on the Impact of Culture conflict and Acculturation on M&A Performance [J]. Science and Technology Management Research, 26 (9) : 93-97.

Stahl, G. K., & Voigt, A. (2008). Do Cultural Differences Matter in Mergers and Acquisitions? A Tentative Model and Examination. Organization Science, 19,160–176.

Swaminathan, V., & Murshed, F., & Hulland, J. (2008). Value Creation Following Merger and Acquisition Announcements: The Role of Strategic Emphasis Alignment. Journal of Marketing Research, 45(1), 33-47.

Teerikangas, S., Véry, P., & Pisano, V. (2011), Integration managers' value-capturing roles and acquisition performance. *Human Resource Management, 50*(5), 651–683.doi:10.1002/hrm.20453

Thompson, A. A., & Strickland, A. J. (2013). The five generic competitive strategies. In

Vaara, E., & Junni, P., & Sarala, R. M., & Ehrnrooth, M. , & Koveshnikov, A. (2014). Attributional Tendencies in Cultural Explanations of M&A Performance. Strategic Management Journal, 35(9), 1302-1317.

W. Berry (1986). On The Cultural Adaptation and Cultural Integration Model[M]

Walker M. (1999). Integratiens Need a Manager [J].Bests Review, (7), 66-69.

Wang Shifa. (2006). Research on the Culture Evaluation System of Private Enterprises [J]. Journal of Changchun University of Science and Technology, 19 (5) : 24-26.

Wang, S. H. (2011). What can we do in the face of salary increases? — A dialogue on employee retention and compensation, corporate culture. Career, (25), 60-62.

Xie Qiaoli, & Zhou Zhizhi, & Quan Zhenzhen. (2020). Analysis of the Motivation and Value Effect of Enterprise Mergers and Acquisitions [J]. Science and Technology Wind, 23(1), 221-222. J.

Xu Huiji, & Yu Shanfei. (2014). Research on Culture conflict Management in Enterprise Mergers and Acquisitions [J]. Oriental Corporate Culture, 11 (16) , 87-88.

Yan Pu. (2014). Cultural integration of mergers and acquisitions based on culture conflicts [J]. Oriental Corporate Culture, 11(2) , 4-6.

Yang, M. (2016). Leadership in Startups: A Penniless Powerless Approach [Doctoral dissertation, Lund University]. Retrieved from https://www.researchgate.net/publication/305424671_Leadership_in_Startups_A_Penniless_Powerless_Approach

Yang, S., Ren, R., Zhang, Z., & Zhang, Y. (2021). The impact of leadership style and generational characteristics on employee turnover in Chinese manufacturing industry. Journal of Economic Science, (02), 97-109.

Yang, Y. (2007). How small and medium-sized enterprises can retain core employees. Private Science and Technology, (11), 116.

Yao Qing. (2017). Cultural Integration in Enterprise Merger and Acquisition [J]. Market Research, 65 (2) : 53-54.

Ye Sheng. (2007). Research on the Current Situation and Development of China's Private Enterprise Culture [J]. Chinese and foreign corporate culture, 13(1) , 70-72.

Yu Yanfu, & Laulan. (2009). Analysis of the formation and transformation of China's private corporate culture [J]. Scientific and Technological Progress and Countermeasures, 26(22), 124-127.

Yu Yu, & Wang Jianqiong. (2015). Review of the Research on the Causes of Mergers and Acquisitions between China and the West [J]. Journal of Southwest Jiaotong University (Social Science Edition), 16(1), 107-111.

Yuan Xu. (2012). Research on the Influencing Factors of Mergers and Acquisitions from Geely's Acquisition of Volvo. World Chinese Business Economic Yearbook: Theoretical Edition, 62-63.

Zhang Qiusheng. (2010). Mergers and Acquisitions: a Basic Theoretical Framework [M]. Beijing: China Economic Publishing House, 15-43.

Zhang, G., Xu, Y., & Zhao, S. (2019). The empirical study of the relationship between psychological contract violation, labor-capital conflict, and employee turnover intention: The moderating role of integrated organizational culture. Business Economics and Management, (09), 29-43. https://doi.org/10.14134/j.cnki.cn33-1336/f.2019.09.003

Zhang, Y., & Li, Y. (2013). A study on the factors influencing the turnover of technical employees in the manufacturing industry: A case study of Company A. Modern Commerce, (11).

Appendix

Questionnaire 1

Investigation on culture conflict and integration factors in M&A enterprises

Thank you very much for participating in this survey. This questionnaire is designed to complete my doctoral thesis. This questionnaire aims to understand the focus of culture conflict in the process of enterprise merger and acquisition, to provide a beneficial reference for the practice of cultural integration in enterprise merger and acquisition.

1. Basic information 　（Please choose according to the actual situation of you and the enterprise.）

2. Your gender: (1) male (2) female

3. Age: (1) Under 30 years old (2) 31-40 years old (3) 41-50 years old (4) over 50 years old

4. Education: (1) below high school (2) High school/technical secondary school (3) Junior College or university (4) postgraduate or above

5. Years of work: (1) less than 1 year (2) 1-3 years (3) 3-5 years (4) 5-10 years (5) more than 10 years

6. Your position: (1) Director or Vice president or above, (2) middle and lower level managers, (3) business personnel, (4) grass-roots functional personnel

7. Degree of overlap between the business (product/service) of the acquired company and the business (product/service) of the acquired company: (1) no overlap (2) partial overlap but less than 30% (3) partial overlap greater than 30% and less than 50% (4) partial overlap but more than 50% (5) complete overlap

Culture conflict investigation: Do you think the enterprise after merger conforms to the following aspects? Please put a tick mark on the corresponding number level. 1 means completely inconsistent,2 means not very consistent,3 means basically consistent,4 means comparator agreement, and 5 means very consistent.

8. After the merger, the company has a clear vision for the future and strives to implement.

9. After the merger and acquisition, the company has clear and operable strategy implementation steps.

10. After the merger and acquisition, the companies has a special organization responsible for the implementation of the strategy and constantly supervises and revise it.

11. The company has clear values

12. Whether the company has unified values

13. The company has a clear mission and that mission inspires people

14. Company leaders lead by example and practice core values with practical actions

15. The work of the company reflects the spirit of teamwork

16. The company encourages innovation

17. The company has advanced leadership and pays attention to innovation

18. Company leaders have less subjective opinions and handle things fairly

19. Your boss is able to talk to employees on a regular basis

20. Leaders are not bureaucratic

21. In your current job, you can express your value and fulfill your potential

22. Your work is respected by others

23. You get along well with your colleagues

24. People clash over work, not between individuals

25. You are satisfied with your work environment

26. You're willing to stay with the company for the long haul: You're willing to work together

27. Whether the management personnel of the company often discuss the business strategy, behavior pattern and development strategy of the company

28. The company will vigorously publicize its corporate spirit, vision, system, etc., and encourage employees to abide by and implement it in their work and life

29. The management has a high level of professionalism

30. High success rate of introducing new products

31. The company has a sound external communication network and has appropriate public relations activities such as image publicity to promote its own image construction

32. Companies disseminate information about their positioning through advertising, marketing and other means

33. The company has its own logo, standard stamped paper, envelopes, etc. Transportation, etc

34. The company pays attention to the promotion of product connotation to increase its added value

35. The ownership of the company is clear. If a decision is beneficial to the development of the company, it can be implemented quickly

36. Enterprise management systems are sound and can be enforced

37. The management system of the company is scientific, reasonable and suitable for the development of the company, which can give employees space to reflect their personal abilities

38. The company has a reasonable organizational structure and market-oriented business processes

39. The business process of the company is clear, and any work is handled by someone. There is no dispute

40. Core members participate in the formulation of action plans related to the company, rather than relying on personal information communication

41. The information channel of the company is smooth, and both sides of leadership decision-making and employee affairs can be quickly informed

42. Your favorable suggestions and complaints to the company will be quickly fed back and solved

43. The flow of information between internal members of the enterprise and the outside world is seamless, and information about important market trends can be transmitted quickly to relevant internal personnel for action

44. A company's performance appraisal can reflect the true achievements of its employees

45. A company's salary reflects the abilities of its employees

46. The company can provide more development space for its employees

47. Promotion of employees is determined by their actual abilities

48. The company provides good welfare for its employees

Investigation on the degree of culture conflict: How do you think the culture conflict of your company after the merger and acquisition is manifested in the following aspects? Please draw on the corresponding number level. 1 means very not obvious; 2 means less obvious; 3 indicates general; 4 means more obvious; 5 means very obvious

49. Employees express opposing opinions on management system, leadership style and behavior style

50. Employees express dissatisfaction through voluntary dimission

51. Employees engage in disruptive activities at work

52. Employees don't follow orders

53. Employees are inactive and absent from work

54. Employees are less motivated to work

55. Employees are more dissatisfied with the enterprise

56. Corporate productivity declines

57. Long-term quarrels and accusations between different functional departments resulted in a large number of conflicts

58. There is a tendency to belittle the other's culture while elevating the own

59. Stubbornly adhere to the organization's original culture

60. There is an "us-them" confrontation

61. Employees of both organizations don't trust each other

62. The phenomenon of group centralism is serious

Please continue to answer the following questions by marking the corresponding option.

63. Before M&A, whether the acquirer has conducted cultural review and evaluation on the acquiree (your company).

(1) Yes (2) no (3) unclear

64. Have you received cultural sensitivity training or similar training in the process of cultural integration?

(1) Yes and (2) no

65. Has the company clearly designated a person to be responsible for the cultural integration of the system

(1) Yes (2) no (3) unclear

66. Whether the company's top leaders value cultural integration

(1) attach great importance to (2) attach great importance to (3) basic importance to (4) do not attach great importance to (5) attach great importance to

67. In your opinion, multi-culture

(1) It is unfavorable to the development of enterprises and easy to produce conflicts

(2) can coexist, but not interfere with each other

(3) We can learn from each other and have cultural advantages

68. There are generally four types of cultural integration modes, which are mainly adopted by your company

(1) Injection (the culture of the acquired company replaces the culture of the acquired company)

(2) Infiltration type (the two company cultures infiltrate each other and adjust accordingly)

(3) Separation (the original culture of the two companies remains unchanged and independent of each other)

(4) Extinction (the acquired company abandons the original corporate culture and does not accept the culture of the acquired company)

69. What attitude do most employees of both parties hold towards the cultural integration mode adopted after the merger

(1) Very much agree (2) somewhat agree (3) agree (4) not very much agree (5) not at all agree

70. Do you want the company to adopt a fast integration mode (half a year to 1 year) or a slow integration mode (more than 2 years)?

(1) Fast integration (2) slow integration

71. Whether the leadership of the new company is established quickly after the merger and acquisition (1) Yes and (2) No

72. Did the company start cultural integration soon after the merger

(1) Yes, the company moves quickly. (2) No, the company moves slowly

73. To what extent are you involved in cultural integration after the merger?

(1) No participation at all (2) little participation (3) very little participation

(4) More participation (5) full participation

74. On the whole, what do you think is the position of Chinese corporate culture in the M&A of foreign enterprises in China?

(1) Cultural superiority (2) cultural inferiority (3) It's hard to say

75. How effective do you think your company has been in cultural integration?

(1) Very successful (2) relatively successful (3) mostly successful (4) not very successful (5) complete failure

This is the end of the questionnaire. Thank you again for taking time out of your busy schedule to participate in this survey!

Wish you every success in your career!

Questionnaire 2

Thank you for taking the time out of your busy schedule to participate in this survey. This research focusing on the talent retention issues of the acquired companies in China after multinational medical equipment companies' mergers and acquisitions. Completing this survey is expected to take approximately 10 minutes. If you are interested in the research findings, you may contact me.

Your responses will be anonymous and used solely for academic research, with strict confidentiality ensured. No one other than the research team members will have access to the questionnaire you fill out. There are no right or wrong answers; we encourage you to read the "Answer Guidelines" and questions carefully before answering. Please respond based on your company's actual situation and your personal experience, following your intuition to answer truthfully. Only genuine responses will make our research meaningful, so we kindly ask you to fill out each question seriously.

Thank you sincerely for your participation, and we wish you a pleasant life and smooth work!

Part I: Basic Personnel Information Survey

(Understanding the basic situation of employees in the acquired company)

1.Are you still employed at the company after it was acquired? [Single-choice question] *

(1)Still employed (2)Have left the company

2.Your gender: [Single-choice question] *

(1)Male(2)Female

3.Your age range: [Single-choice question] *

(1)21~23(2)24~26(3)27~29(4)30~33(5)34~36(6)37 and above

4.Your work experience (total years of all jobs): [Single-choice question] *

(1)Less than 3 years(2)3~5 years(3)5~8 years(4)8~10 years(5)More than 10 years

5.Your education level: [Single-choice question] *

(1)Below college(2)College(3)Bachelor's degree(4)Master's degree(5)Doctorate or above

6.Your years of service at the acquired company: [Single-choice question] *

Less than 1 year

(1)1~3 years(2)3~5 years(3)5~8 years

7.Your position: [Single-choice question] *

(1)Marketing(2)Sales(3)Channel or Operations(4)Finance, Administration, or other positions

8.Your job title: [Single-choice question] *

(1)Specialist(2)Manager/Senior Manager(3)Director/Senior Director(4)Vice President and above

Part II: Survey on Reasons for Talent Loss After Company Acquisition

9.What were the main reasons you joined the original company (the acquired company)? [Multiple-choice question] *

(1)Employment pressure(2)Salary and benefits(3)Personal development and improvement

(4)Liking the job(5)Ability to perform the job

(6)The company is large and has a strong reputation in society

(7)Good company development prospects(8)Major is relevant

(9)Other, please specify: _____

10.After the company was announced to be acquired, if you choose to leave, the reasons might be? [Multiple-choice question] *

(1)Low salary and benefits after the acquisition

(2)Limited promotion opportunities after the acquisition

(3)The position may be replaced after the acquisition

(4)Personal advantages are not utilized(5)Dislike the acquiring company's culture

(6)High workload, frequent overtime, and high pressure

(7)Low salary, poor benefits, and poor treatment

(8)Low industry status and lack of respect(9)Dissatisfaction with company systems

(10)Dissatisfaction with company leadership(11)Macroeconomic environment impact

(12)Personal reasons(13)Other, please specify: _____

11.What is the nature of the company you chose to work for in the original acquired company? [Single-choice question] *

(1)Startup (2)State-owned enterprise(3)Institution(4)Civil servant(5)Foreign enterprise

(6)Well-known private enterprise

12.What do you think are the advantages of the original acquired company where you chose to work? [Multiple-choice question] *

(1)Realizing self-worth(2)Harmonious internal company relations

(3)Good company development prospects(4)Stable, good working environment

(5)The company has its own development advantages(6)Good compensation and benefits

(7)Other, please specify: _____

13.After your company was acquired, what do you think are the main reasons for employee turnover? [Multiple-choice question] *

(1)Low salary and benefits(2)Limited promotion opportunities

(3)No clear career planning(4)Personal advantages are not utilized

(5)Poor working environment(6)High workload, frequent overtime, and high pressure

(7)Low salary, poor benefits, and poor treatment(8)Low industry status and lack of respect

(9)Dissatisfaction with company systems(10)Dissatisfaction with company leadership

(11)Other, please specify: _____

Part III: Internal Management Survey

(Please select the appropriate level of agreement based on your feelings for the following questions.)

14.After the acquisition, do you think the company's compensation is reasonable? [Single-choice question] *

15.After the acquisition, do you think you can achieve self-improvement at the company? [Single-choice question] *

16.After the acquisition, do you think the company's talent development mechanism is reasonable? [Single-choice question] *

17.After the acquisition, are you satisfied with the management style of your direct supervisor? [Single-choice question] *

18.After the acquisition, are you satisfied with the attention the company's senior management pays to employees? [Single-choice question] *

19.After the acquisition, what are the main benefits your company offers? [Single-choice question] *

(1)Performance bonus(2)Year-end bonus

(3)Recognition(4)Other, please specify: _____

20.After the acquisition, what are the 1-2 important things the company could do that would prevent you from voluntarily leaving? [Open-ended question] *

Part IV: Survey on the Impact of Talent Loss on the Company

(Please select the appropriate level of agreement based on your feelings for the following questions.)

21.After the acquisition, if the company experiences frequent talent loss, would you have doubts and would it affect your view of the company? [Single-choice question] *

22.After the acquisition, when colleagues or department members you get along well with leave the company, would you also start to consider other job opportunities? [Single-choice question] *

23.Assuming you are ready to leave the acquired company, would your dedication to work decrease during your time at the company? [Single-choice question] *

24.After the acquisition, if your superior is replaced, do you think it would take some time to adapt and work well together? [Single-choice question] *

25.After the acquisition, if employees leave, do you think it would lead to a decline in the quality of service for customers? [Single-choice question] *

26.After the acquisition, if employees leave, do you think it would lead to customer loss? [Single-choice question] *

27.Part V: Employee Survey on Company Improvement Measures

28.After the acquisition, to address the serious issue of employee talent loss, the company will introduce relevant improvement measures. From which aspects do you think they should start? Which of the following is most important? [Single-choice question] *

(1)Incentive mechanism (2)Performance assessment(3)Corporate culture(4)Training

(5)Career planning(6)Improvement of management quality and capabilities

(7)Other, please specify: _____