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Critic on the Adjusting Human Resource Policies to Challenging Times with focus on Improving Mergers and Acquisitions

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Abstract*: This study criticized adjusting human resource policies to challenging times with a focus on improving mergers and acquisitions. The study examined reasons and motives for mergers and acquisitions, planning, implementation, types of mergers and aquisitions, and their outcomes. A review of related literature, found that the involvement of human resource managers at the planning, execution, and sustenance stages is paramount in the success of mergers and acquisitions of organizations. It concluded that firms must consider human resources before embarking on mergers and aquisitions. It is further recommended that organizations intending to merge and acquire must adopt a plan, review, and implement sound human resource policies inclusive of hiring talents with good management skills*

Keyword: Human Resource, Policies, Merger, Acquisitions

INTRODUCTION

The global economy has been on edge following the depression and the economic downturn of 2010 and beyond. Nigeria has also suffered economic depression, which was most prominent in 2015. To make this worse is Nigeria's mono-economy, as she mostly depends on revenue from oil sales for her earnings. In addition, corruption and insecurity are hindering the proper use of the little resources in the country.

Most recently, there has been an outbreak of Corona Virus (Covid-19) in a small city in China. It has become a world pandemic infecting hundreds of thousands of people with heavy mortalities. In Nigeria, over 10 thousand people have been infected, with over 400 deaths at the beginning of this work (NCDC Media News Briefing, 2020). The Covid-19 Pandemic has devastated world economies, including Nigeria, due to the lockdown of the national economies to contain the pandemic.

Companies and organizations are grappling with this complex and unfriendly economic environment without any solution. Many organizations propose employee layoffs, reduction in production costs, relocation of business, switching over to related business, and vice versa as a make-shift solution. (Shenkar & Luo, 2008). For organizations to exist, therefore, they must operate in a manner that will make them competitive, malleable, and profitable to become relevant in the business world. They have to think out of the box to survive and continue to grow. It is depicted in their search for a solution, which includes:

- Desire to benefit from large-scale productions,
- The increasing importance of the consumer thereby leading to deregulation of the markets,
- Internet connectivity has made the world a global village and
- Innovations. (Schuler and Jackson, 1989).

Therefore, the quest for survival and growth will continue. Mergers and Acquisitions, one of the most excellent tools for survival and growth, will be practiced by firms. Nevertheless, as opinioned by Kapner, though mergers have slowed down in the 1990s, there is hope that they will continue to exist.

There is a need facing the management of merging firms to make it work, and this can only be possible by learning from experiences of failed M/As and paying more attention to human resources issues. The increasing competition in the business world has led most organizations to adopt M/A. However, research shows that less than 50% of such M/As succeed. (Calipha et al., 2020).

Brockhaus (1975) also noted that as far back as World Wall 11, most mergers of corporate outfits have failed, while others are managing to survive. Napier (1989) points out that the merger business boom of the United States, which increased from 2500 in 1983 to 4000 in 1987, recorded many failures of about 30%. Reasons for these failures are attributed to problems relating to Human resources. From the pre-merger period, firms need to clearly understand what they want to achieve (motive) in the merger and incorporate their H/R to ensure its success.

Organizations are in constant competition, and one organization must swallow another to grow and advance. Whatever the size of the firm small, medium or large, or whatever they offer, services or products, the scenario is the same. That is to say that they want to exist and grow. The strategy for survival is the same, which includes entry into new markets, which may mean opening a new office in a new location or acquiring a company in that market or location.

Schuler and Jackson (1989) asserted that staying at the top is more than growing internally. One must hunt for people to collaborate to stay at the top. Nevertheless, it is not as simple as that, as organizations also need the cooperation of others to grow (Herper, 2002). Beyond cooperation, however, mergers and acquisitions have become commonplace in the business environment. For instance, some large companies like Chase and J.P Morgan, SKB and Glaxo, National Bank, and Bank of America have merged to compete favorably in the global market. (Schuler & Jackson, 1989). Mergers and acquisitions by organizations, therefore, have growth in perspective.

Mergers are where two or more firms decide to come together to function as one structure, thereby losing their identities. Whereas in the acquisition, an organization may decide to buy another organization and get it integrated into its organizational structure. (Child, 2005). Mergers and acquisitions are said to be tools that organizations employ for their goal achievement. As the two organizations come together, new policies are created, reshuffling staff and possibly crucial employees might be retained while others exit.

The Federal Trade Commission classified mergers as horizontal, vertical, product, market concentric, and conglomerate. The essence of this classification is to understand how the two companies can fit and how strategic a merger is. For example, in an acquisition, the intending company feels it will be more cost-effective to acquire another company and its assets rather than establishing a new company afresh.

Companies that merge or acquire assets of another company do so with the hope of raising their stock, breaking new grounds, and developing a more potent force in the marketplace. (Schuler and Jackson, 1989). For instance, recently, there have been mergers and acquisitions among commercial banks in Nigeria. For example, Access Bank merged with Diamond Bank to improve its service delivery and profitability performance and gain a competitive advantage.

It should be noted here that the human resource within these banks suffered adjustments in their policies.

Firms must recognize that human resource plays a significant role in whether they will succeed in their merger and acquisition activities. Hence policies are geared towards training the staff to function most efficiently for the firm in mergers and acquisitions. Nevertheless, some scholars still feel that firms are not doing enough.

Contemporarily, Vance et al. (1969) seemed to have understood M/A more than their peers as they noted that it is the H/R element that constitutes 70% influence on the outcome of every merger. Therefore, the firms need to affirm the competence of their H/R as per the merger process. This pre-assessment may necessitate training them where they have gaps.

Principally, the H/R of the organization, as humans, exhibit cultural identities that blend to form the organization's culture (Schweiger et al., 1989). The firms must understand their company culture and compare it with the culture of the company they want to acquire or merge with. They must be able to identify where the two cultures meet, and those points of convergences now form the nibble of integration of the two cultures. They must understand that the company's culture comprises the thinking cap of the H/R, their belief, enthusiasm, expectations, fears, and morale. Therefore firms must nurse and midwives these attributes relevant to the success of the merger & acquisition. These issues must be considered even when hiring new staff or exiting old ones.

LITERATURE REVIEW

Mergers and acquisitions are part of strategic alliances. They all involve firms going into joint ventures of a type. Regarding mergers and acquisitions, acquisitions are more often adopted by firms than mergers. The acquisition allows another firm to take over the firm's operation and management. A merger combines two firms' operations and management to form a new legal entity. For example, the merger between South African Breweries and Miller Beer gave birth to SABMiller. There are not many mergers as compared to acquisitions. Mergers and acquisitions are usually within formal institutions that serve as referees.

Schuler & Jackson (1989) noted that firms that went into a merger in the U.S. in the 1990s rose from a growth rate of 3500 to 10,000, attracting a value increment of $140 billion to $1,700 trillion. Moreover, because of this deal, other companies, including Europe, entered into mergers from 6,000 (with $ 2 billion value) and moved to 12,000 ($1,750 trillion value) in 2000. (Evans et al., 2000).

Mergers can be cross-border. A foreign firm may merge with a local firm to gain the advantage of generous government incentives to encourage foreign investment.

REASONS FOR MERGER/ACQUISITION

Organizations enter into M/As for several reasons; desire to enter new markets, seek to gain new scarce resources, and achieve synergy (Calipha et al., 2010). M/A is also seen as a tool for promoting future growth and values sustainability. Companies buy other companies that are related to them in order to improve their strengths and eliminate waste.

Scholars believe that there are two main psychological reasons why companies go for M/A. One such is that they fear that more prominent companies will put them out of business unless they compete. In this regard, the merger is entered into fear. There is no proper scrutiny of the margin terrain (that is, 'let us do it less we close down).

Organizations also merge to gain a better competitive advantage in the global economy. For instance, Daimler Benz of Germany (Stuttgart) and Chrysler of the United States (Detroit) merged internationally, and the outcome was positive (Shenkah & Luo, 2008). Wheelem & Hunger (2001) observed that as companies progress in M/As, they grow vertically. As a result, they decided to move from raw material extraction to manufacturing and marketing the finished products. On the other hand, they may tend towards a horizontal progression whereby they decide to increase their product range and services within or outside their location. In either case, the H/R is responsible for arranging the personnel to execute the activities. Gramham et al. (2002) also noted that M/As cause companies to diversify their products or services, which may lead them to move from their comfort zone with less exciting experiences with the H/R.

MERGER AND ACQUISITION MOTIVES/CLASSIFICATIONS

According to Krithikaa & Abiran (2018), M/A motives by classification include financial or value-maximizing motives and managerial or non-value maximizing motives.

Financial or value-maximizing motives: The motive here is to make money for the shareholders, and synergy and economies of scale characterize them. There is the application of knowledge and skill from one organization to another.

Non- value maximizing motives: Here, the reason for the merger is to increase sales, power, and prestige. A merger is also classified as Horizontal, Vertical, Product, Concentric, and Conglomerate. This calibrates the level of fitting within merging firms.

PLANNING A MERGER AND AQUISITION

Human resource issues are not seriously considered at the planning stage, except to discuss weaknesses of managers in the firm to be acquired. By definition, human resources are the staff in the company, their behavior, talent, fears, expectation, and liabilities. Human resource is relevant to every organization, even if it is just two people to the largest companies.

There are formal policies regarding M/A planning:

- Level of involvement of human resources in the deal
- Who should be included and at what level in the merging process?
- How should it be released, and what mode of release?
- Terminal benefits and compensations
- What talent is there for H.R. to drive the merger?
- What is their level of competence, sacrifice, motivation, and knowledge.?
- Are there human resources for the partner company?
- What are the integration blending processes?

The policies may be good, but the practices should also align with how the policies will be implemented. For example, the mode of rewarding the staff in the new firm, across-the-board incentives, and remuneration must be articulated.

Human resource persons must work hard, knowing that if the merger fails, it will lead to the loss of their job and even the death of the company. Organizations must insist on gaining new knowledge, acquiring new skills, and transferring the knowledge and skills. Hence, they must be able to break into the partner firm's routine to acquire them. Therefore the human resource must be motivated enough to break into the partner's beliefs, experiences, and values. In the knowledge transfer, the trainer must be flexible, patient, and patient in teaching the knowledge and skills. Trainers must be sincere and transparent, or it will be difficult to transfer those skills or knowledge that kindled the interest in the merger.

IMPLEMENTATION STAGES OF MERGERS AND AQUISITIONS

Human resources are included in the implementation stages:

- They are to be told about the merger
- Informed about the various stages of the M/A
- They are to be told the problems of merging the two cultures.

MERGER OUTCOMES

The outcome of a merger on the employees includes fear, the feeling of being sold out, and low morale. Generally, those with a good attitude and feelings about the organization will feel happy with the merger. While the other sect will not, and their performance will drop, up to two hours of loss of productive time per day, where they engage themselves in gossip. All of these point to the fact that the company has to work on human resources properly in their proposed framework.

The learning environment for the merging firms must be made flourishing and friendly and the human resource highly motivated. Furthermore, the human resource must know they have a stake in the process, for if it fails, the company will die, and they will also be adversely affected, including the loss of their livelihood.

Farley & Schwallie (1982) argued that integration is the key to the success of M/As and that this integration is that of talents. Capron & Pistre (2002) agreed with the same fact that after marriage (that is, post-acquisition), resources transfer and integration play vital roles in M/A. Whatever the interests of the merging companies are, whether to gain competitive advantage, gain new markets or achieve synergy, the driver of all of them is the H/R element. Therefore, policy adjustments in a merger company must pay due diligence to the workforce to maintain their faith, morals, and motivation in the "new marriage."

M/A on the part of the H/R will lead to work attrition. Organizations will think of how to balance merging and retaining their workforce if the merger must succeed. This they can do by the careful articulation of the merging process in order not to negatively affect the workforce. If the merger leads to increased productivity, the organization will not have to lay off its workers. Calipha et al. (2010) noted that this could only be possible by studying their market share properly.

Brockhaus (1975) noted that, from the onset of the M/A, organizations should identify and evaluate their objectives early. When this is not done first, the journey will likely be that of 'to and fro' with each merger phase, thereby assaulting the process. At the same time, Severson (1989) argued that strategy in terms of appraising the assets to be acquired to ascertain their market value is essential, as well as confirming that there are no debts (unpaid loans) to be bought over. The H/R, therefore, should be part of the selection criterion in terms of the price and the fitness of the strategy.

According to Calipha et al. (2010), strategic fitness is the second criterion in M/A. Here both companies blend to achieve a competitive advantage which is engineered by the H.R. On the other hand, Kusewitt (1985), in his argument, indicated that it is not a high price paid in a M/A that matters; instead, what the organization does with the acquired company to make it a profitable deal. Here also, it is the place of the H/R to ensure proper selection, recruitment, training, motivating, aligning, compensating, and arranging employees' wages.

Selecting, re-assigning, appraising, and ensuring that the requisite staffing is appropriately placed to achieve the organizational objective is critical to the merger's success. The new companions must therefore study and reposition their two H/R segments. In addition, the merging companies must be able to weigh the options of retaining the old workers and releasing them, being able to pay their terminating benefits, and resolving conflicts, including litigation, compared to retaining them to work out their pay (Calipha et al., 2010).

For M/As to succeed, the motive for the merger must have a human resource element. This will help to properly articulate the enlargement of the product line, ensuring that products and services are complemented, drive anticipated growth in the marketplace, increment the market share and globalization, and complement the companies' efforts (synergy) (Levinson, 1970).

As part of this discussion, the adage that you do not put your eggs in one basket may not be entirely untrue in M/A. This is because diversifying into unrelated products and entering foreign markets are risky and may capsize the organization's boat. (Kitching, 1967). Therefore, before contemplating a merger, organizations must ask themselves, 'who is our H/R?' What is their experience, reputation, motivation level, morale, visa-avis, the new area of interest?

TYPES OF MERGER

Extension Merger: In this case, the acquiring firm leaves the acquired firm to operate its functions. There is little change in management and operation. Extension mergers deal with unrelated conglomerates. Here, integration is not severe because they operate independently. It is usually thought of from non-value maximizing motives. In an extension merger, the effect on the H/R is low because they are allowed to function as previously. Integration may just be limited to finance, and there will be no significant sack of employees because it is just an extension that is going into a new area without significant restructuring of the firm.

In extension, mergers changes in H.R. policies will always be immediate, probably within months. This is because the changes are relatively small and uncomplicated. The H.R. here is also likely to be at peace since they believe the changes in H.R.'s outfit will be minimal.

Financially, extension mergers have little changes in the H.R., as already mentioned. Therefore financial returns will likely increase since they have more money to deploy into the system (Louis, 1982).

Collaborative Merger: It occurs when two firms join to make a profit for either or both of them. They usually join their operations, assets, or culture together. They could exchange technology or expertise.

Two types of collaborative mergers have been listed below:

a. **Synergy:** Here, the two firms collapse their operations and join together. They could bring in a new name, new headquarters, or a new culture. Both collaborative and redesigned mergers are part of the concentric merger, and much integration is needed. In collaboration, companies are related and so can increase their output.
b. **Exchange Mergers:** There is usually a transfer of knowledge and expertise. (Napier, 1989). In exchange merger, one of the partners will gain the expertise of the other. Their objective is to gain skill in exchange. Intensive integration in a collaborative and redesigned merger also affects the human resource aspect regarding retention, release, and promotion.

In collaborative mergers, managers could leave the company because they have lost control and have uncertain future careers. Changes in the H.R. architecture will take much longer in a synergy merger. This is because there is a virtual collapse of the two systems, and the realignment of the talents of the participating companies is gradual. In synergy mergers, there is the greatest need for training and communication since there is a new operating system.

In exchange mergers, changes also take a bit longer because firms will have to identify the partners' weaknesses and strengths and make the necessary adjustment. In addition, both partners must thoroughly work on employee relationships and development.

Performance in financial matters may become low because many managers become unhappy and leave. This will slow down the integration between the two firms (Ivancevich et al., 1987). Cultural integration is also tricky because beliefs, trust, and morale differ amongst the partners' workforce, which will have to blend.

Redesigned merger: In a redesigned merger, one firm loses its policies and operation to the other partner. For example, Access and Diamond Banks in Nigeria merged to become Access Bank, with Diamond Bank losing its name to Access Bank. There is a level of integration, and it affects the human resource. Usually, their products are similar. Most human resources are affected because H.R. positions will be duplicated. They may either lose their jobs or accepts lower positions. This could make them leave voluntarily.

Scholars suggest that changes would take between 12 and 18 months in redesigned mergers except for cultural integration, which takes much longer. The acquired firm employees may need information and training to fit into the new design. The firm has to work hard on the relationship among the employees. The acquiring firm employees should be appropriately briefed on the problems they would meet dealing with the acquired firm and their staff. Managers usually decide the type of mergers, eventually affecting their implementation strategy. Mergers are also affected by the size, potential performance, business relatedness, firm's image in the market place and similarity of their cultures.

The employees will become afraid and anxious about the merger, particularly about their job security and ego. More so, if their firm is the one that has lost in the redesigned merger, like in the Diamond Bank and Access Bank merger in Nigeria where Diamond Bank lost their name in the merger. (Mace & Montgomery, 1962; Blake & Mouton, 1985).

Shenkar & Luo (2008) noted that outfalls from mergers and acquisitions include loss of jobs, relocation of companies' operational base or it is outright closure, targets not correctly articulated, cost wrongly estimated, and inability to harness the perceived talents of the merging companies' workforce due to new and uncertain operational environment, and also cultures might be miles apart.

From their study, Calipha et al. (2010) pointed out that many people think that M/A transactions fail mainly at the integration phase (47%) and due diligence (43%) while energizing the organization and issues of culture (40%). However, it should be clear that not all M/As are the same as exemplified. Therefore each M/A should be looked at mainly. H.R. policies should be individualized as all M/A cannot be the same as Boston Consulting Group's opinion (2007).

Mergers can be just two phases, pre-merger, and post-merger, or 3 phases of pre-merger, merger, and post-merger. (Boland, 1970). While Carpenter & Sanders (2007) argued that M/A has 4 phases idea, justification (including negotiation and due diligence), integration of the acquisition, and appraisal of results. Some scholars opined that it could be up to 7 phases (Salus,1989). Whatever the number of phases in a merger, the human resource element goes through each, as the firm adjusts its policies to suit each phase. Vance et al. (1969), has used human terminology to describe the M/A process as:

a. **Courtship:** This describes the familiarization between the two organizations, their management policies, philosophies, objectives, and strategies.
b. **The marriage proper:** This presents the legalization and announcement of the merger to members of both organizations.
c. **The Honeymoon:** This is the actual integration of both personnel and management of the two organizations. Following the honeymoon is the living with attendant policy adjustments, with the H.R. playing a principal role.

Merging companies tend to overtake competitors while gaining more access to new markets. There is also a cost reduction as the workforce is reduced, equipment is leased, and possibly employees are laid off. (Pearce 11 & Robinson, 2011). Another reason for mergers could be that company has become old, not flexible, and therefore resistant to change, more so when old hands handle them. In this case, when they merge with younger fellows in new companies, they become rejuvenated to excel in their business (Calipha et al., 2010).

In high technology organizations, older firms merge with younger and more innovative firms. In these mergers, firms must be mindful of their human resource, who are to drive the processes. Policies must consider if there is cultural compatibility.

Each M/A should consider the market entry or product acquisition so that the H/R could extend their reputation and experience of the current product to the new related product. When this is the case, synergies are enhanced compared to when they move into a new area. For example, Campbell & Goold (1998), in their work, identified synergy in six forms, which included shared knowledge and or skills by both organizations, tangible resources, pooling together negotiating power, thereby bringing down the cost of goods, coordinating of strategies to enable them to combat threats from competitors, integrating vertically to control the flow of products from unit to unit, as well as combining forces to create new businesses. This also was opined by Townsend (1968), who noted that a M/A could decide to use one of their facilities for manufacturing, thereby gaining economies of scale and efforts that are not duplicated.

Boland (1970) & Levinson (1970) argued that organizations with failed M/As paid more attention to financial considerations and less to personnel factors, especially that of the top management staff, as well as psychological issues. Mirvis & Mark (1992) also asserted that part of the failure of M/As is because organizations do not care much about the fitness of the organization, cultural issues, and psychological factors.

Size has also been identified as a factor affecting M/As. In a situation where there is inequality or disproportion in the size of the two merging companies, misunderstandings and lack of empathy could affect the H/R policies. Size measurement could be in terms of employee number, the volume of sales, or even assets. (Calipha et al., 2010). Brockhaus (1975) noted that a mismatch in size depicted by fewer percentage sales of a company compared to the acquiring one could lead to the merger's failure. He further presented that 84% of M/As since World War 11 failed due to mismatches in size. However, Bruton et al. (1994) opined that where there is good H/R management, restructuring of the organization strata, decision-making, and decentralization of responsibilities will make the size effect minimal, thereby ensuring the success of the merger.

Boland (1970) found out in his study that the involvement of management top executives (70%) and the level of management knowledge (62%) was paramount, especially where there were professionals in the different aspects of the merger process. Mrivis & Mark (1992), in their contribution, emphasized the need for involvement of the executives of H/R in the early process of merger. On the other hand, Schweiger et al. (1989), after a study on the executives of 80 companies, found out that the H/R criteria were not attended to in the M/A process. Nevertheless, in the study that Towers (2000) carried out, although only about 39% of H/R was included in due diligence, a remarkable growth of up to 62% was realized. This was possible because, according to Drunker (1981), the top operating managers and the key staff are needed in the daily running of the organization.

Control which falls within a H/R responsibility is vital in M/As and must be appropriately calibrated and integrated through thorough negotiation and agreement with the two companies by the H/R to avoid misunderstandings later on (Calipha et al., 2010). Furthermore, Mirvis & Mark (1992) noted that all these interest groups must be considered to avoid future threats, confrontations, and resistance. Therefore, the HR must assume this as a responsibility if the M/A succeeds.

An underestimation of the new company's capital needs and financial investment before the merger can cause future problems (Kitching, 1967). Therefore, HR managers are to initiate a due diligence process at the end of which they work hard to resolve all outstanding details, answer all or most of the questions, and keep misunderstandings at bay (Jemison & Sitkin, 1986). Vaara &Moni (2010), as cited by Marks & Mirvis (2011), agreed that HR should reduce the ambiguity in mergers and work to make it legitimate. However, literature seems to assert that HR in failed M/As were neglected in terms of the dynamics of their functioning and the challenges inherent in the merger, which include integration, talent sourcing, and retention, peaceful exiting of those that the H/R termed redundant, which otherwise will lead to protracted litigations and distraction to the merging process, (Lubatkin, 1983).

Culture has been identified as having an important place in post mergers periods, as differences in culture and integration affect performance. They present challenges to the organization from language, value systems, and beliefs to H/R policies. Hofstede (1980) pointed out that even national cultural differences complicate business transactions. For instance, the average Kalabari tribe fishing companies in Nigeria have rules and regulations governing the marketing of goods. At the same time, in some business deals, the Igbo (another tribe in Nigeria) are not mindful of how each one markets his goods.

Mayhofer (2004) argued that cultural differences affect more, first from headquarters to subsidiary locations. The solution to this could be an agreement to either use one of the cultures after due appraisal of some or to adopt the culture that depicts a more substantial value to the expected merged corporate culture. Otherwise, the merged organization could evolve a new culture to move the organization forward. These considerations should be duly planned and put in place by the H/R at the pre-merger point (Appelbaum et al., 2000).

Scholars agree that H.R. primarily focuses on its role in implementing the M/A at the implementation level. This role includes discussion on the M/A process, changes in the organizational structure that may follow, and the problem of integrating the two cultures and H.R. policies (Buono et al., 1985).

FINDINGS

The study revealed that the engagement and involvement of promising human resource talents at the various stages of merger and acquisition are pivotal to its success regarding its productivity, achievement of organizational goals, and continuity of the organization.

GAP IN LITERATURE

There seem not to have been a severe and conceited effort made to review the M/A process to improve future mergers' outcome (Kitching, 1967).

Another gap is that the current reviews of failed M/As tend to proofer a one-medicine-cure-all kind of solution, particularly when issues of why small companies fail are used as a jacket for a more prominent company. Instead, it seems better than case-for-case post-mortem of failed M/As should be a dissecting autopsy, considering the company's size, environment, culture, and other extraneous factors that play the failure.

Researchers opined that at the motive level, firms might only be interested in rewards for shareholders with less attention to what happens to the personnel. Furthermore, human resource perception of such destroys the interest of the H/R, which may spell doom to the merging process.

There is little or no literature on how M/A could lead to rearing competitors in the marketplace. This is because one of the partners could become an opportunist and break the trust on which the M/A was instituted. For instance, in a merger of Honda and Britain's Rover, the parent company sold out Rover to another company BMW thereby throwing Honda out of the business deal. There is also a paucity of literature on the relationship between the pre-merger firms and the emerging process's outcome. This is exemplified by what happened between Rolls-Royce and G.E. (General Electrics), who agreed to develop jet engines together but later, one deceived the other due to an old rivalry leading to the collapse of the merger. (Peng, 2009).

Another gap is the lack of literature about motives, where there is a tiny mention of HR positions in M/A planning. This we have already noted in the work of Boland (1970), who found out that issues relating to H.R. were omitted among the priorities of the top management planning of the M/A. It is also not known whether motives affect employees' reactions to mergers. (Napier, 1989).

Literature always focuses on what happened to one of the firms in the merger, leaving the other. (Mirvis, 1985). However, M/A may take months, and literature is paucity in specifying the exact time when actions and responses occurred. (Ivancwvich et al., 1987).

In redesigned mergers, there is little research on what happens to the HR regarding their performance appraisal, if they remain and or if they leave the company, and what happens to their benefits and other entitlements. (Steele & Osbone, 1983).

SUMMARY

This research highlighted the challenging environment in which firms operate, the quest for solutions by organizations to remain in business, and the use of mergers and acquisitions by firms as a tool for survival and growth. In addition, contemporary literature was reviewed on the role of H.R., and criticism on the behavior of executives towards HR in mergers was discussed.

The gap in the literature on this subject was highlighted. It concluded that much work still needs to be done by firms in their involvement of HR in mergers and acquisitions.

The study recommended that more research be conducted into failed mergers and acquisitions.

The role of H.R. in M/A firms should be thoroughly calibrated to persuade organizations to see merger and acquisition as the sole responsibility of HR since they have a stake in its success, and they could be trusted to play the needed role in merger and acquisition.

CONCLUSION

From the word go, just as we have said that M/As are like social, emotional, and psychological phenomena warranting the use of such words as courtship, marriage, and divorce. Like in most marriages, interests do not always overlap. There may even be conflicts with the question 'Why are we here?'. Human resource has difficulty advancing the interest of their firm while making a complex relationship work.

Consequently, firms must think about human resources whenever M/As are contemplated. M/A may warrant hiring talents that depict good management skills, trustworthiness, and doggedness in negotiations.

Keeping the hope alive, firms at the pre-merger level must examine the trust and understanding of intending partners to ensure the success of the M/A. M/A must create value not only for the shareholders but also for the human resources management.

One area of further study is to find the most common type of merger in different firms. For instance, in the banking industry, pharmaceutical, engineering, and I.T. firms, the dynamics of their human resource may differ.

RECOMMENDATION

For M/As to succeed, the management of the two companies must sit down and study the individual and organizational cultures and cross-breed among their workforce.

There should be a thorough cost-benefit analysis of all the decisions of moving the operational base or remaining there outright with a particular interest in the effect of such. The human resource manager must ensure that the H/R is not demoralized, thereby losing the steam of their impetus. (Calipha et al., 2010).

In adjusting policies in M/As, the organizations should know that human resource first, human resource second, and human resource last.

Therefore, from the pre-merger period through the process (merger) and post- mergers, the organization should know that for them to succeed, the central and most significant elements to be considered are the psychology, the morale, and the motivation of the employees.

It is also recommended that organizations could still have problems moving into similar products and markets if cultural differences are not adequately handled. The H/R policy adjustment should include cultural considerations in hiring new talents or exiting old ones (Weber et al., 1996). For instance, a M/A may move from selling "Zobo drink" to "Qunu." They do not have to sack the Hausas because they may be needed to market the "Qunu," one of their favorite drinks.

In adjusting H/R policies in M/As, attention must be given to grading jobs, training, career development, performance appraisal, salaries, benefits, compensations, and much more to endure lasting success.

However, there is a need for more detailed work to explore further measures of adjusting H/R policies in such areas of strategic importance as organizational objectives, selection criteria, management involvement, structure, and control. In addition, just as Penning et al. (1994) recommended, learning processes in mergers should be built into organizational knowledge management systems, managerial training, and long-term managers to be rewarded for strengthening the H/R policy adjustment.

Literature on failed M/As should include the type of merger, the extent of integration or combination, the role of the H/R should be well articulated, and the timing of their involvement. (Jemison, 1989).

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