Organizational Mergers: Integration Strategies using Dynamic Network Analysis

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Most organizational mergers fail to meet their stated objectives!

- Organizational mergers are ubiquitous in business and the broader society
  - Hewlett-Packard Co (HPQ) & Electronic Data Systems (EDS)
  - Microsoft & Yahoo; maybe
  - National Football League (NFL) & American Football League (AFL), circa 1960
  - City of Pittsburgh & Allegheny County
  - School districts …
  - Little League baseball teams …
  - Governance of religious groups …
  - US Coalition & Peoples of Iraq?

- Recall: Organizations are formed to enable the accomplishment of goals not possible as an individual

- Merger, a.k.a. Strategic Combination, consist of corporate acquisitions, joint ventures, etc: the occurrence of formally melding into and behaving as a single purposeful, goal-seeking organization -- from what was previously two or more separate and distinct organizations

- Post-merger integration is most-often cited cause of merger failure
  - Frequently, the newly combined workforce fails to perform as a cohesive unit
  - Often the pre-existing organizational cultures are the root cause of conflict and counter-productive dynamics
  - How to devise socio-technical integration strategies to overcome conflicts and ultimately become one?

Research Framework

- Dynamic Network Analysis (DNA)
  - Social Network Analysis, upgraded!
  - Meta-network
  - Multi-mode networks
  - Multiple networks
  - Overtime dynamics
  - Use ORA for network analysis

- Meta-Network Representation of Organization
  - People
  - Resources
  - Tasks
  - and more …

- Multi-Network Simulation - Construct
  - Virtual experiments to discover possible outcomes
  - Ascertain organizational dynamics

Research Agenda

- Phase I: What are is the impact of Integration on the Social Network Metrics?
  - Network centralities
  - Key-Players
  - Sub-group classification

- Phase II: What are the Dynamics of Organizational Integration in the Meta-Network?
  - Basic DNA metrics
  - Over-time dynamics
  - Sub-group evolution

- Phase V: What do Virtual Experiments Show?
  - Use Construct

- Phase IV: How do Real-world Experiments Compare with Data from actual merger events?
  - Real-time integration strategy and tactic assessment