Methodology

**Introduction**

The subject of this study implies subjective characteristics and causality, the data does not appear to be important in this study, so this research uses a qualitative inquiry model, namely case study. This research is based around secondary data using a case study based strategy to shed light on how the organizational culture impact on firm level performance. The subjective nature of this research strategy allows researchers to delve deeper into the topic of cultural impact on M&A performance. This chapter is intended to explain what was done, how to do research, and why. So this chapter will first explain the philosophical position that is the interpretative philosophy. Second, the research design and research strategy will be explained. In addition, the collection and reliability of data information will also be presented in this section. Finally, the limitations of case studies will be explored.

**Philosophical Position**

According to Sikes (2004), the key to choose the methodology is ‘the position of the researcher’, a philosophical hypothesis about beliefs, values, and epistemology. Remenyi (1998) illustrated that researchers need to consider how to study and study which questions, the core of these answers is why they should be studied, which requires a philosophical solution. Saunders et al. (1997) divided philosophy into four categories: positivism, realism, interpretive and pragmatism. This research mainly uses interpretivist philosophical, which researchers discover reality through the perspectives of participants and background experience (Yanow & Schwartz-Shea, 2011). This view also applies to the two cases in this study, so the first case is Air France's acquisition of KLM. The reason for choosing this case is that, on the one hand, in the European aviation industry, Air France is the second largest airline in Europe, and KLM is second only to Europe. At the time, KLM’s operations were very bad and its financial situation was difficult. It hoped to accept the merger to obtain financial support. On the other hand, for Air France, the merger with KLM can further expand the existing market. In this context, although the cultures of the two airlines are not compatible, they have achieved great success after the merger. Air France - Mr. Spinetta, President of KLM Group, said that adaptability is more important than advantage. Cultural differences can undermine mergers and acquisitions, not market differences. The most common reason for the failure of mergers and acquisitions is that the two companies lack a common vision, appropriate communication and cultural integration, and cross-border mergers and acquisitions are very difficult (Gancel et al., 2002). Therefore, the reason why this study analyzes the success through the perspective of the participants and from the background experience is that the cultural factors are not insurmountable. The CEOs of the two companies trust each other. Although the cultures of the two countries are different, the differences are not too great and they complement each other. Another case of this study was the failure of BenQ to acquire Siemens. BenQ is an important international brand in Taiwan, and Siemens is the world's leading German technology company. BenQ's acquisition of Siemens has made it the world's fourth-largest mobile phone brand and quickly occupied the European market. Siemens' transfer of mobile phone business to BenQ can shake off the loss of its mobile phone business and maximize the interests of shareholders. However, BenQ’s cross-border mergers and acquisitions ended in failure due to cultural conflicts between Chinese companies and the foreign economic environment and communication and management issues between the two parties.

**Research design**

Bryman (2008, p22-23) argues that qualitative and quantitative research differs in the nature of reality or in the way they are explored. Both methods have their own unique way of collecting and analyzing data (Maxwell, 2004). According to Ghauri and Grohaug (2002), qualitative research is more suitable for the systematic measurement of different variables in commercial research. This study uses qualitative research methods, which are explorations of social phenomena in the natural environment. Researchers primarily collect data and examine the cause of the event and its significance to the subject (Bogdan and Biklen, 2006). Qualitative research collects data from the participants' natural environment through secondary data. It is a tool for researchers to rely on raw data (such as text images), which makes qualitative research suitable for providing factual and descriptive information (Johnson and Christensen, 2012). According to Fisher (2004), qualitative research methods observe human thoughts and behaviors in the context of society, and conduct in-depth analysis of phenomena in order to have a deeper understanding of the research objects. In addition, qualitative research is good at simplifying and managing data (Atieno, 2009). Qualitative research is used because this research requires researchers to collect data, analyze the causes and significance of time, and the topic of this paper is how organizational culture affects M&A performance, this kind of research method seems to be the most appropriate.

**Research Strategy**

This research is based around secondary data using a case study based strategy to shed light on how the organizational culture impact on firm level performance. According to Yin (1984), he defines case study methods as empirical research, exploring and analyzing contemporary real-life phenomena through a limited number of events. The difference between case studies and quantitative analysis is that it focuses more on microscopic data. However, some studies have shown that case-based research strategies lack robustness, so researchers need to use multiple cases for analysis. Since only one case is used, general conclusions cannot be provided. Yin (1984) pointed out that case analysis has three categories, exploratory, descriptive and explanatory.

First, exploratory case studies refer to the collection of data to prepare the research framework before research questions (McDonough and McDonough, 1997), while descriptive case studies describe the occurrence of data. Descriptive case studies are a form of narrative as described by McDonough and McDonough (1997). Researchers must start with descriptive theory to support the description of phenomena or stories. The challenge of descriptive case analysis is that if the description is not good enough, there will be a lack of rigor. Finally, an explanatory case study refers to in-depth study of data to explain phenomena in the data (McDonough and McDonough, 1997). The study identified the subject as Air France/KLM and BenQ/Simens, and the M&A of these two multinational companies affected the performance of the company due to cultural differences. Based on this direction, the focus of this study is to explain the correlation between cultural differences and social integration and synergies in these two mergers and acquisitions. In this process, the researchers will use a descriptive context to answer the hypotheses in the literature review chapter.

**Data Collection**

This article uses a variety of sources to enhance the reliability of the case, and any type of data can be used with research methods (Morgan & Harmon, 2011). The primary source of information for this article is the secondary data source, which is an enhancement of success or failure in both cases. Despite the incompatibility of KLM and Air France, the mutual trust of top management can also make the merger successful. Compared with the failure of the merger of BenQ and Siemens, the reason is poor management due to cultural differences. Information about the acquisition process and company information comes from official websites, newspapers and journal. As an analytical tool, the study will also search for performance information on these companies to better analyze the topic. The performance information will be collected through official websites, BBC reports, financial statements, etc. Second-hand data is the primary source of information for this article, collecting information about airlines and electronics technology companies. The information and data in this article are mainly from the company's official website, newspapers, magazines, etc. At the same time, the journals of the school library are also very important. Data Sources. Turner (1983) argues that the literature is an important source of data. However, since some data information is obtained through news magazines or media networks, there may be author bias and subjective assumptions, so this article will try to avoid using news magazine data and try to use a variety of different sources to collect data.

**Credibility**

Data credibility is an important factor in ensuring the reliability and authenticity of an article. The ethics in the study are important to the researchers (Saunders et al 2006). The four big companies involved in this research are well known and can be found on the internet or in news journals, without fabricated behavior. Information about M&A is included on its official website, and references in the case are from well-known media reports such as the BBC. In addition, academic literature is also a large source of data collected. There is no official misconduct in the data collection process of this research, and there is no deception or privacy violation.

**Limitations**

Most scholars question whether case studies can be a scientific research strategy (Flyvbjerg, 2006), Flyvbjerg (2006) argues that case studies are only applicable to the investigation and exploration phase, and that experimentation is the only reasonable way to conduct an interpretive investigation. As described by Ying (2009), case studies are only preliminary research methods. In addition, case studies also cost a lot of manpower and resources, because collecting and analyzing data is highly labor intensive, and it is easy to put a lot of pressure on researchers (Merriam, 2009), the researchers need to describe the phenomenon in detail. This may make researchers lack time or money, and this method are time consuming and rigorous. (Ying, 2009). Not only that, but multi-case research reports can be challenging because the limits of word counts make the research report incomplete (Heale and Twycross, 2017). Furthermore, since the paper mainly involves the merger of multinational corporations, the four companies involved are not English-speaking enterprises. Although the webpage information has been translated into English, there is still a risk of misunderstanding. This also greatly reduces the rigor of the case study method. In addition, case studies are often subjective and biased. The process or outcome of M&A may be over-interpreted by subjective judgments because there are no direct measures of success or failure, often defined by various performances and factors.

**Conclusion**

In summary, the methodology of this paper uses an interpretive philosophy, based on second-hand data, and uses case-based research strategies to explain the impact of cultural differences on sociocultural integration and synergies. Case studies are empirical studies that explore and analyze contemporary real-life phenomena through a limited number of events. Since case studies can provide readers with immersive experience and quantitative and qualitative analysis of data to make the evidence more effective, it is most suitable to the subject of this study. The data sources of this paper are from journals, academic literature. , the official website, etc., to ensure the reliability and validity of the data. Although case study methods are used to understand the details of the M&A process and the final results, case studies have their shortcomings. This research strategy takes a long time and lacks rigor. Case studies may also be biased by the subjective assumptions of the researchers.