KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

COLLEGE OF HUMANITIES AND SOCIAL SCIENCES

DEPARTMENT OF ECONOMICS

IMPACT OF MERGERS AND ACQUISITIONS ON BANKS PERFORMANCE IN GHANA.

BY

DANIEL HARRISON NKRUMAH

THESIS SUBMITTED TO THE DEPARTMENT OF ECONOMICS OF THE COLLEGE OF SOCIAL SCIENCES AND HUMANITIES, KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY, IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR AWARD OF MASTER OF SCIENCE DEGREE IN ECONOMICS.

JUNE, 2016.

DECLARATION

I hereby declare that this thesis is my own original work towards the award of master of science in Economics and that, to the best of my knowledge, it contains no material published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been in my work.

Daniel Harrison Nkrumah (PG2727914) ……..……………… ………………..

(Student & PG) Signature Date

Certified by:

Dr. Daniel Domeher ……..……………… ………………..

(Supervisor) Signature Date

Certified by:

Dr. Kennedy K. Abrokwa (PhD) ……..……………… ………………..

(Internal Supervisor) Signature Date

Certified by:

Hadrat, Mohammed Yusif (PhD) ……..……………… ………………..

(Head of Department) Signature Date

ABSTRACT

Due to increasing competition, new financing possibilities and changes in regulation all over the world, mergers and acquisitions (M&A) have become popular strategic tools for growth. Every merger or acquisition, whether large or small, has inherent complexities that need to be clearly understood and properly addressed to ensure that value is created. Due to globalization and expansion of economies, firms will have to consolidate to be able to compete on international scale and be able to undertake big ticketing transactions. Some sectors such as finance, telecommunication and petroleum have been transformed since 1994 by the occurrence of very large-scale mergers and acquisitions. The larger the economy, the more likely to have more companies that could merge with each other and this creates a rippling effect which improves the economy. As such developing countries, of which Ghana is no exception, are now embracing the concept of pursuing acquisitions and mergers as a means of sustainable growth.

This study analyzes beyond a single case study as it assessed the mergers of Ecobank Ghana and The Trust Bank (TTB), SocieteGenerale and SG SSB and Access bank and Intercontinental bank to evaluate whether the mergers of these groups has led to improvement in their performance. A financial analysis of the three merged banks before and after the merger was undertaken in this study to ascertain whether the merger has made the group better off than operating individually.

Data were collected from the published annual reports and accounts of the selected banks and were subsequently uses STATA and Statistical Package for Social Sciences (SPSS) for the data analysis t-test statistics through statistical package for social sciences. It was found that the post-mergers and acquisitions' period was more financially efficient than the pre-mergers and acquisitions period.

However, to increase banks financial efficiency, the study recommend that banks should be more aggressive in their profit drive for improved financial position to reap the benefit of post mergers and acquisitions bid.

DEDICATION

I dedicate this work my dad Mr Danny Harris Nkrumah and my entire family.

ACKNOWLEDGEMENT

My first appreciation goes to God Almighty by whose abundant Grace this study has been completed successfully. I would also like to express my appreciation to my supervisor, Dr. Daniel Domeher, who challenged me to deliver to the highest standards of excellence.

I cannot close this page without acknowledging my family and my love ones for their immense support to me during my years of study for this degree. There are others I might have failed to mention here due to lack of space. To all these people, I owe you a huge debt of appreciation. God bless you all.

I must, however, state that I am solely responsible for any error in this study.

TABLE OF CONTENTS

LIST OF TABLES

TABLE PAGE

LIST OF ABBREVIATION

ADB	-	AGRICULTURAL DEVELOPMENT BANK
ATM	–	AUTOMATED TELLER MACHINE
BBG	-	BARCLAYS BANK GHANA LIMITED
BHC	-	BANK FOR HOUSING AND CONSTRUCTION BOG - BANK OF GHANA
CESA	–	CAPITAL EXPENDITURE SALES ASSET
CETA	–	CAPITAL EXPENDITURE TOTAL ASSET
EBG	–	ECOBANK GHANA
FDI	–	FOREIGN DIRECT INVESTMENT
FTC	–	FEDERAL TRADE COMMISSION
GSE	–	GHANA STOCK EXCHANGE
GCB	–	GHANA COMMERCIAL BANK
IBG	–	INTERCONTINENTAL BANK GHANA
LEV	–	LEVERAGE
MEG	–	MERGER
NIB	–	NATIONAL INVESTMENT BANK
NIM	–	NET INTEREST MARGIN
PV	–	PRESENT VALUE
RBL	–	REPUBLIC BANK LIMITED
ROA	–	RETURN ON ASSET
ROE	–	RETURN ON EQUITY
ROS	–	RETURN ON SALES
SGT	–	SECURITY GUARANTEE TRUST
SG	–	SOCIETE GENERALE
SG-SSB	–	SOCIETE GENERALE – SOCIAL SECURITY BANK

SSNIT	–	SOCIAL SECURITY AND NATIONAL INSURANCE TRUST
SIZE	-	SIZE
SPSS	–	STATISTICAL PACKAGE for SOCIAL SCIENCES
TTB	–	THE TRUST BANK
UK	–	UNITED KINGDOM
US	-	UNITED STATES
UT	–	UNIQUE TRUST
UTB	–	UNIQUE TRUST BANK
UMB	–	UNIVERSAL MERCHANT BANK
WACB	–	WEST AFRICAN CURRENCY BOARD

CHAPTER ONE

INTRODUCTION

1.1 Research Background

Achieving the growth of a business require exterior or interior means of management. The means by which the growth and development of a business can be attained: growth from within (interior), this is where the firm invest in its own capital to restructure and activates a fresh scheme.

The option of growth from outside (exterior); where vital forces from the business environment are taped to speed up the wheels of corporate growth. Mergers and acquisitions (M&A) therefore emerges as the vital strategy to enable the combination of both external and internal means of business growth and development through contractual arrangements or agreement.

An entity believes it has a better chance of competing in its environment by merging or combining with another or acquiring another. With much news on successes and failures of mergers and acquisitions, it is imperative that an organization does a thorough evaluation on whether that is the path it wants to pursue.

Every economy require banks to run a vital role in boosting the financial environment of the country, there is therefore the need to reorganize them to achieve efficiently through modified progressions geared towards envisioning distress of banks. Attaining sound business in the banking sector in Ghana, the sector has experienced outstanding modifications for some period of time on areas of structure of ownership, some organizations including the breadth as well as the depth of various procedures.

Extensive research conducted on evaluating the economic influence of acquisitions and mergers on the monetary strength and growth of banks has yielded fruitful results. Mergers and acquisitions (M&A) are similar but technically different. A merger is essentially an amalgamation of two or more firms, where the offering organization's shares (usually the ordinary shares) are exchanged for the surrendered organization's shares. Here both firms cease to exist and a new firm emerges. However for an acquisition, a company buys (acquires) at least 50+1 of the voting shares (ordinary shares) of the acquired firm. Here the identity of the acquired firm ceases to exist and is absorbed up by the acquiring firm who assumes full control of the combined firm. Whiles mergers usually involve an exchange of shares, acquisitions usually involves the payment of cash to the acquired owners.

Danzel Watson and Antony Head (2010), believe that mergers and acquisitions perform vital or vibrant part in financial organization. Several businesses adopt mergers and acquisitions as the foundation of external progression anytime the fundamental ideological progression does not give promising signs, although some businesses epitomizes a perpetual risk to their on going self-regulating survival or presence.

The emergence of Mergers and Acquisition has been an accomplishment story for many companies and financial institutions across the world as they realized bigger economic growth through synergy; elimination of inefficient management, etc. One instance of a successful merger is that of Exxon and Mobil which was an agreement to sign a $81 billion merger to form ExxonMobil. The merger made ExxonMobil a very big establishment across the globe. ExxonMobil merger stood immense that the Federal Trade Commission needed an enormous group's gas stations reformation to enable the organization escapes complete domination. ExxonMobil is still the toughest front-runner dominating petroleum market with a massive influence in global market and it's known to be a member of the world's leading organizations held publicly, with Walmart as the next.

Mergers and acquisitions provide essential benefits to most companies and businesses that embark on it as a strategy for expansion and growth through synergies and other economic benefits.

There is always a unique reason that inspires businesses to merge together. The motivating factor is the extra gains or benefits that are created by acquisitions and mergers a major instance being: 3 + 2 = 6. This scenario implies where the worth of firm X is $3 million and that of firm Y is $ 2 million however when the two firms are merged together their combined worth becomes $ 6 million instead of $5 in a normal arithmetic calculation. This extra worth that emerges after mergers is referred to as “synergy” value.

Ghana can as well boast of successful M&As in various sectors of the economy notable among them include the acquisition of Ghana Breweries ltd by Guinness Ghana Co ltd in 2004. Guinness Ghana Breweries is a Ghana brewery grounded at the Kaase Industrial Area in Kumasi - Ghana. This company was formed in 1991 and listed on the Ghana Stock Exchange. At the inception of production Ghana Brewery produced only what is commonly known as Guinness which was previously called Guinness Foreign Extra Stout. Another brand which was non-alcoholic beverage popularly known as Malta Guinness was introduced in the year 1988/89. This new brand captured almost 70% of the market and hit the market instantly.

In the oil and petroleum sector, Mobil Oil Ghana Limited currently known as the Total Petroleum Ghana acquired Total Ghana limited in 2006 and got listed on the stock index of the Ghana Stock Exchange. The company gained firm grounds in the petroleum sector commanding about 28% of the market as of 30th October, 2006 operating 225 filling stations across the country Ghana.

Ecobank Ghana Limited is also a commercial bank in Ghana. Ecobank is a member of the Pan-African Ecobank cable which functions in thirty two (32) countries across the world. This commercial bank is networked fully in Ghana with actively operating branches covering almost the ten regions in the country. In the year 1990 in Ghana, Ecobank was formed. The central bank of Ghana, Bank of Ghana in December 2011 exercised one of its functions by approving a 100% acquisition of The Trust Bank (TTB) to Ecobank Transnational. The overall asset valuation of TTB was about US$119 million (GHS: 220 million) at the time. This merger and acquisition of The Trust Bank by Ecobank became successful and the new financial giant in Africa is currently known as Ecobank Ghana Limited.

Societe Generale Ghana Limited (SG) is a commercial bank built in Ghana; this bank was known earlier as *Société Générale - Social Security Bank* (SG-SSB). The bank is a fragment of the Société Générale banking group. According to its official website, the bank is the 5th largest commercial bank in Ghana by assets, as of December 2011 and has 45 networked branches in Ghana. SG originated in 1975 as "Security Guarantee Trust Limited" and changed its name the following year "Social Security Bank Limited", or "SSB". In 1994, SSB and the "National Savings and Credit Bank" merged under a World Bank program. The bank rebranded in 2004 as SG-SSB after Societe Generale attained a 51% controlling interest and rebranded again in 2013 as SG to adapt with the group name Société Générale.

AngloGold Ashanti Limited is a worldwide gold mining company. It was established in 2004 by the merger of AngloGold and the Ashanti Goldfields in Ghana. It is now a worldwide gold producer with 21 affiliates on four continents. AngloGold is listed on the Ghana, New York, Johannesburg, Australian, Paris, Brussels and London stock exchanges. AngloGold produced 4.98 million ounces of gold from its operations in 2008 and it’s projected to be seven percent of the worldwide production. The company's gold production fell to 4.6 million ounces in

2009. During the third quarter of 2014, Anglogold was the world's third-largest producer of gold, behind Newmont Mining and Barrick Gold.

Michael Porter studied examined over the 2700 mergers and acquisitions transactions of 33 key companies in the US for 36 years from 1950 to 1986 established that the failure of mergers and acquisitions transactions ranges between 50-70 percent, concluding that the major sources are cultural and leadership clashes. Deloitte also studied about 70 percent of Mergers and Acquisitions dealings do not usually meet the anticipated effects and objectives. According to a study by JP Morgan more than half of all Mergers and Acquisitions transactions worldwide had not met planned targets.

Ryan McManus and Thomas Herd on the other hand think that the negative impression created around mergers and acquisitions as being destructive and might be obsolete is not true and that there is statistical indications to suggest that success rates of Mergers and acquisitions have ascended positively (Herd and McManus, 2012).

1.2 Research Problem

Ghana has experience a number of successful mergers and acquisitions in various sectors of the economy. Various researches on this field have examined the profitability and challenges that emit from M&As on single firms like (Attablayo 2012, on SocieteGenerale) but this study focused on the mergers and acquisitions in financial institutions and its impact on banks performance in a broader sense in developing economy-Ghana. This research as well assessed more than one bank as it combined three major successful mergers and acquisitions in Ghana.

Financial experts and economists would attest to the fact that profitability is not the only way to growth in financial institution but other equally important features like increased market power, expenses reduction, diversification, etc. Other school of thought will also summarize that all synergies will definitely end up in profitability for growth in financial institutions. Previous researchers limited themselves on a year or two before merger and did a summary study on synergies but this study will capitalize on those limitations and complement to current research done on M&A and assess the prevailing empirical evidence on banks performance in Ghana.

Businesses development, profitability and improved productivity are among the important benefits required from mergers and acquisitions. This study is a modest attempt to seek for the impacts M&As have on the performance of banks in the Ghana.

There have been inconsistent results on a number of studies on M&As; some have concluded that there are synergic affects and others have also concluded with negative results depicting M&As as not impacting on the performance of banks siting various reasons like cultural, leadership and ideological clashes. In Ghana studies on the M&A have been inadequate and the existing studies such as Gatsi and Agbenu (2006), Gatsiand Nyarkotey (2010), Seidu, (2011) either focused on single business merger agreement or centered on shorter time-frame or both. The use of a case study reveals only a specific event and the shorter time frame on the other hand weakens the process.

Ghana has witnessed unprecedented activities in the banking sector the past decade as banks have adapted the culture of merging and acquiring fellow banks at record heights. M&As have recently increased significantly as well as creating conducive environment for Foreign Direct Investment (FDI) flows.

With all these advantages and disadvantages, should an entity engage in acquisition or mergers as a means of growth? Another major problem that the study seeks to evaluate and address is whether the coming together of two companies emits economic impact on the combined entity and the economy as a whole. Mergers and Acquisitions have dominated the corporate program in the advanced market economies for several decades and are steadily gaining upper hand in contributing to growth of businesses on the Continent of Africa. Ghana and most developing countries are now implementing the concept of pursuing acquisitions and particularly mergers as a procedure for sustainable development and growth.

Mr. Randolph Rodrigues, a senior investment banker at Stanbic Bank Ghana foresees an increase in Mergers and Acquisitions activity in Ghana given the increasing prominence on local content across sectors in the country. Would the experiences (both failures and successes) of the developed economies in relation to Mergers and Acquisitions be replicated in the African economies and even in Ghana or the African economies will be able to show that they have the inherent skill to manage the cultural differences which has brought down many conglomerates. A study of these possibilities is very crucial especially as the world is now a global village and your next door competitor is likely to be a multinational firm with resources far more than a single firm could amass.

1.3 Objectives of the Research

The purpose or objectives of the research are outlined below

i. To assess the impact of the mergers and acquisitions on the banks performance financially (that is the profitability, return on asset and return on equity) before and after the merger in Ghana.

ii. To assess mergers and acquisitions of three different banks in Ghana.

1.4 Research Methodology

This study was based on some merged and registered or listed banks on Ghana Stock Exchange. The study used these three listed banks (Ecobank Ghana limited, SocieteGenerale and Access Bank of Ghana Limited) which have undergone successful merger or acquisition between 2009 and 2012.

To assess the impact of mergers and acquisitions on the performance of these banks in Ghana, the study employs univariate approach and uses panel data methodology.

Stating the Hypothesis:

H_0: No significant impact of mergers and acquisitions on banks performance in Ghana.

1.4.1 Univariate Approach

The required financial data or statement of each of the merged banks was collected before and after the merger or acquisition periods. The study analyzed the performance of the banks financially on how they were fairing before merging and their state of affairs after the mergers.

1.4.2 Panel Data Approach

Panel data approach was used to allow for the study of cross section data over some period of time. The blend of time series with cross-sections boosted the quality and quantity of data in ways that would be difficult using only one of these two dimensions.

The Model

The elementary model is written as

$$Y_{it} = \alpha + \beta X_{it} + \varepsilon_{it} \qquad \text{(i)}$$

Where Y_{it}represents the dependent variable (Return on Equity), α represents the intercept, β represents the slope and X_i represents the independent variable (Merger and Acquisitions). The following selected factors, capital structure, growth, risk and size where used to examine the performance on banks productivity. Explicitly, the real impact of M&A on business performance and the degree to which merger illuminates the changes in banks productivity contained within the study were determined using regression model below:

$$ROE_{i,t} = \alpha_0 + \beta 1MEG_{i,t} + B2NIM_{i,t} + B3SIZE_{i,t} + B4LEV_{i,t}. + \varepsilon_{it} \quad \text{(ii)}$$

$$ROA_{i,t} = \alpha_0 + \beta 1MEG_{i,t} + B2NIM_{i,t} + B3SIZE_{i,t} + B4LEV_{i,t}. + \varepsilon_{it} \quad \text{(iii)}$$

The variables above are explained as follow; the ROE denotes Return on Equity, ROA denotes Return on Asset, MEG denotes (merger) dummy variable where 1 stands for post-merger and 0 otherwise, NIM denotes Net interest Margin, SIZE denotes size of the banks proxy by log of total assets and LEV denotes leverage of the banks.

The variables defined together with expected signs for the independent and controlled variables. The study made use Statistical Package for Social Sciences (SPSS) and STATA for the data analysis.

1.5 Significance of the study

The importance of this study cannot be overstressed. The study could be utilized as reference for more research into mergers and acquisitions in financial institutions and the relevance of its economic and financial impact.

In relation to the research significance, it will help ascertain whether the major reasons for mergers' and acquisitions' successes and failures are also relevant in an African environment, especially in Ghana.

Concerning significance to policy, the study will provide both the local and international communities on evidence on whether the factors that contributes to the failures or successes of mergers and acquisitions reveals a positive correlation irrespective of the geographical location of the conglomeration.

The study will as well provide vital information and a good channel for researchers who intend examining mergers and acquisitions beyond a single case study.

The final work of the study will be a partial fulfillment of the Msc Economics requirement.

1.6 Research Limitation

The study is to evaluate mergers and acquisitions in a Ghanaian context, however due to time constraints the study is limited to some notable mergers in the financial institutions. The study made use of reliable secondary data of some the merged financial institutions for some period of time before and after merger to add thorough analyses but it may not be able to cover the whole sphere economic impact on these financial institutions due to research time available for this program.

The study did not use primary data involving questionnaires but facts and figures published from reliable sources .The study did not cover the branches of banks that have been colonized. The study did not focus on the performance of the bank from number of branches and their geographical locations and available Automated Teller Machine available for easy accessibility for customers and since all the mergers and acquisitions were bigger recent event in Ghana and so the full impact of their merger may not be adequately measured as at now.

1.7 Chapter outline

The chapter one encompasses the background of the research, problem of the research, purpose of the research, objectives of the study, and the significance of the research.

The chapter two centers on the review of appropriate and applicable literature on mergers and acquisitions. Examples of successful instances and not successful ones in Ghana, Africa and the world at large. It assessed some empirical findings on the impact of M&A on corporate performance.

The third chapter entails the methodological approaches which highlight the study area and a brief overview of the case of mergers and acquisitions in Ghana and a brief history of some financial institutions that have product of M&As.

The fourth chapter focuses on the results and regression analysis, sampling procedures or techniques and secondary data.

The fifth chapter contains of the summary of the study, conclusions and recommendations. The references follow this chapter.

CHAPTER TWO

LITERATURE REVIEW

2.1 Overview of Mergers & Acquisitions

Motivated by globalization of race and constant rivalry, scientific advancement & economic or tactical obstacles to standard growth, mergers & acquisitions (M&As) have histrionically tendered to be the key reason by which many businesses worldwide are rapidly endeavoring to increase revenues.

Most establishments in nearly all industries are progressively confronted by fresh encounters in the middle of the rising rivalry locally & internationally. It is becoming a regular contest to move at par or even exceed new competitors, technological revolutions, demanding & sophisticated customers. Mergers and acquisitions are widely documented as the primary means of consolidation for swift business development & progression. Several M&As literature have interchangeably used the two terms in spite of the recognized discrepancy that has emanated between them which has been extensively considered as rather unclear. These two terms are used to denote dealings involving the blend of two independent organizations to form one or more ordinarily controlled bodies where a modification of control takes place through a transfer of rights (Sudarsanam, 1995; OECD, 2001).

2.2 Brief History of Mergers and Acquisition

Mergers usually transpire in surfs or waves. Five vibrant waves have emerged since the ending of the nineteenth century. Every wave had diverse features and was created by different combinations of events. Nevertheless, there are outstanding likenesses between the first wave and the present fifth wave. It is substantial to be able to recognize merger wave patterns because they provide a valuable intuition into how the present fifth wave may develop (Evans, 2000).

2.2.1 Mergers Waves

Essentially, it is appropriate to know that mergers and acquisitions are greatly driven by exterior forces. Also, a brief scrutiny of the rise and history of mergers and acquisitions depicts that they incline to follow or ensue in waves. There seem to be a direct affiliation between merger undertakings as well as exterior economic forces like the country's economic and financial atmosphere or events prevailing in the country and their major significance as well as the global economic situation (Evans, 2000).

The railroad wave (approximately 1895-1905): Between the years 1890 and 1910 the world witnessed the first major wave of mergers in the United States of America. This first major wave of mergers powered by the completion of the continent-wide railway system linked towns and cities in the entire United States unprecedented. This continent-wide structure of transportation created a merged countrywide market in the United States.

The railway transportation system paved the way for native or regional businesses to develop to become completely national businesses. This premier trend is occasionally denoted as the railroad wave and it possesses mutually horizontal and vertical incorporation mergers characteristics.

Certain international merchandise names were formed through the horizontal integration of principal producers for the duration of this wave. For instances General Electric and Coca-Cola are some of the examples (Matt, 2000).

The automobile wave (approximately 1918-1930): The rapid increase in the general availability of automobiles in the 1920s and early 1930s created the next major wave in the United States. The growth in automobiles also aided businesses to fully utilize professional sales teams. As the railway system linked towns and cities together throughout the continent, the extensive availability and affordability of automobiles permitted native clienteles to expand their access to a higher quantity of local and regional channels. The widespread use of delivery vans and trucks enthused businesses based predominantly in food and food processing. This wave is frequently referred to as the automobile wave and it was also depicted a high level of horizontal and vertical integration. The most renowned feature was possibly the level of horizontal integration among secondary (as opposed to primary) producers in substantial industry and the financial sectors (Matt, 2000).

The conglomerate wave (approximately 1955-1970):. The 1960 wave followed the 1920 wave and this wave is usually referred to as the conglomerate wave.

The complexity for businesses to integrate vertically and horizontally was predominantly due to the United States regulations at that time. At the same time the vibrant United States economy provided the enticement for speedy development and growth. This encouraged businesses to establish mergers and acquisitions with other businesses operating outside the acquirer's usual scope of operations. This conglomerate wave was characterized by a large number of managerial problems as acquirers encountered difficulty in running their newly acquired assets, and this created were several complications and failures.

The mega-merger wave (approximately 1980-1990): The 1980s was a decade characterized by the increasing share prices and a very resilient economy. Comparatively low interest rates made acquisition finance readily accessible. This drove a sizeable number of cash-financed acquisitions of businesses that were comparatively low performers. There were instances of mega-mergers, which were certainly facilitated by on a very large scale by the ideals of that time and this made it sometimes referred to as the mega-mergers wave.

Successive US and UK governments derestricted copious sectors and calmed anti-merger and merger-control regulations. These actions dynamically stimulated large-scale mergers horizontally and competition was significantly diminished in a number of businesses, including chemical industries and oil production in the United States. (Evans, 2000).

The globalization wave (approximately 1994 to date). The recent globalization wave began in the mid-1990s and stretched quickly through the past few years of the twentieth century and dragged into the early years of the twenty-first century. These moderately few but very important years were branded by a number of very substantial details.

Market growth was sluggish and mergers and acquisitions allowed businesses to grow in otherwise sluggish markets.

There were low interest rates and businesses were able to acquire relatively large loans at much lower interest rates than would have been possible just few years earlier. The relatively low cost of finance made mergers and acquisitions more of an economic certainty for a broader number of businesses.

Most businesses experienced higher supply exceeding demand and the exerted pressure on prices leading to the need to reduce costs. One major way of realizing this was through the economies of scale that could be created by effective mergers and acquisitions.

A number of businesses were matured and some were closed to being matured by the late 1990s, and they realized that economies of scale through mergers and acquisitions provided a conceivable channel of reducing costs and increasing effectiveness (Matt, 2000)

Computers and IT development created an increasing impact on business operations. International frontiers as well as geographical separation became less important as the emergence of internet expanded and crossed traditional trade borders.

Businesses started to comprehend that the universal marketplace opens up access to both sellers and buyers of various products and services. The rise in the supply side places a descending pressure on prices and on costs as well.

The modern wave is occasionally referred to as the globalization wave. Growth and development in new technologies and new media communication including the internet represent major features of the current or modern wave. In producing the fifth merger wave it can largely be said that businesses were exposed to global competition.

2.3 Definitions

2.3.1 Merger

A merger refers to the coming together of businesses to invest and share their resources to achieve common objectives. In other words, the term "merger", relates to the blend of two isolated entities to create a new, joint body and operate under a common vision (Evans, 2000). Under the instance of merger, the two organizations combine to form a third entity and the owners of the combining organizations continue as joint owners of the new entity (Sudarsanam, 1995).

2.3.2 Acquisition

An acquisition is an act where an organization assumes or acquires ownership of another organization, a legal subsidiary of another organization or certain assets of another organization. This activity may perhaps involve the buying of another organization’s stock or assets (DePamphilis, 2008).

The term "acquisition" implies the attainment of assets by one business from another business. In an acquisition, both businesses may continue to exist (Evans, 2000).

Acquisitions, which refers to the takeover of a company by another, it is usually part of a company's growth strategy and this activity provides much economic sense to acquire or take over an existing company's operations than to expand on its own.

Acquiring the entire assets of a company rather than acquiring stocks or shares of the selling company will avert the likely problem of being the minority shareholder. However, the cost of relocating the assets is usually high (Ross, 2004).

2.3.3 Categories of Mergers

Horizontal Merger: This is where two organizations merge across related or similar products or services. Horizontal mergers are usually adopted as a technique for an organization to expand its market share by merging with a contending or competing company. A vivid example is the merger between Exxon and Mobil which permitted both companies a bigger share in the gas and oil market.

Vertical Merger: This type of merger occurs where two organizations merged along the value-chain, such as a producing company merging with a supplying company. Vertical mergers are often used as a means to gain a competitive benefit within the marketplace. For instance, a big pharmaceuticals manufacturer, Merck, merged with a large pharmaceuticals distributor, Medco, in order to increase an advantage in distributing its goods.

Conglomerate Merger: This refers to the situation where two organizations in entirely different industries merge, for instance a road construction company merging with a cloth printing company. Conglomerates are frequently used as a means to level out wide variations in earnings and make available more consistency of growth in the long-term. Normally, organizations with poor prospects for progression will pursue to vary their businesses through mergers and acquisitions. The General Electric (GE) Company for instance, has diversified its businesses through mergers and acquisitions, providing GE the opportunity to enter into new areas like television broadcasting and financial services (Evans, 2000).

2.3.4 Takeover

Takeover is a term used to define different activities. It is a broad term which occasionally refers to aggressive dealings or to either welcoming or unwelcoming mergers (Gaughan, 2007). Acquisition and Takeover have a little difference in their definitions; however the meaning of the latter remains the same. In situations where an acquisition is conducted under a coerced atmosphere without agreement with the management of the target company then such an activity is referred to as a takeover. Takeover usually go through a procedure whereby the acquiring company directly approaches the minority shareholders through an open tender offer to buy their shares without the endorsement of the management of the company targeted. In circumstances involving mergers and acquisitions, the terms acquisition, merger, takeover, amalgamation or consolidation can be used interchangeably (Chandra, 2001).

2.4 Economic Impact

The positive influence that a policy change, market trend or an event will have on economic elements includes consumer confidence, stock market activity, interest rates or unemployment. An economic effect scrutiny examines the impact of a happening or an action on a certain sphere of an economy and spreading to other related sectors. Economic impact on an entity examines the measures the fluctuations or consistencies in profits, revenues and general expenditures. It analyses how resources are invested or putted into good to a benefit to the entire organization at a minimal or well reduced cost.

2.4.1 Economic Impact of Mergers and Acquisition

Mergers refers or relate to the combination of two separate entities to create a new, joint organization, and Acquisitions, which refers to the takeover of an entity by another, are often a fragment of a business's progression or growth plan and this postulates much economic sense to acquire an already surviving business setup rather than expanding all by itself. Several reasons that make merger or acquisition a prudent choice (Renaud, 2009) and these include:

- Synergistic benefits- here the idea being that by combining business activities with others into a single unit, performance will increase and cost will decrease.

These are the three forms that depict the significance of Synergy:

i. Returns: Through the blend of the two companies, the merged company will realize higher and positive returns as compared to the individual companies functioning independently.

ii. Expenditures: Expenditure is very key in assessing a company's profitability. Individual firms operating separately incur higher expenses compared to the merged firms or companies.

Generally, lower expenses are as a result of the synergy value that prevails. The driving force behind a number of mergers is usually to reduce expenditures and this normally originates from the eradication of dormant activities bearing charges for the company, such as information technology, accounting, redundant labor force, etc.

- Diversification- here a company may merge or acquire another to diversify or dilute the inherent risk in its operations. Here the target of the firm is to acquire a firm in an apparently dissimilar industry in order to minimize the impact of its industry on its profitability.
- Growth- The emphasis here is on merging or acquiring another firm for the prospect to develop or grow in the market without partaking directly.

- Competition Elimination – The adoption of Mergers and Acquisition by companies allow the acquirer company to remove related competition in the future and increase the market size of the acquirer's market.

However, strategic economic reasons for the business combination seem to be characterized in all the best mergers. Mergers and acquisitions can as well be inspired the following strategic economic reasons:

Less Expensive Expansion – A company's growth expansion externally through the acquisition of another company may be much cheaper than reinvesting within or internally. For instance, assuming a printing company is planning an expansion and some other organization own akin amenities which are not being used, there is a higher possibility that it would be less expensive merging with that organization or acquiring it completely than to consider going into constructing and procuring newly similar facilities on its own.

Modification – Increasing returns or income and attaining consistency in the long-term growth and profitability especially for companies in matured industrial stage where growth is quite difficult, merges and acquisitions provide necessary means to achieve increasing growth and development. Diversification or modification is widely known to be the best option for investors to sustain growth and efficient management of their resources and businesses. However, some studies believe that certain traditional financial managements do not usually support modification or diversification through mergers and acquisitions.

Short Term Growth – It may be very difficult for management of companies to turnaround sluggish profitability and growth in limited frame of time notwithstanding available opposing competition. However, the adoption of mergers and acquisition usually provides conducive platform to boost poor performance in the short term.

Underrated Target - The Company being targeted may perhaps be underrated but mergers and acquisitions have the driving force to stabilize and help rebuild the value of these target companies. Some mergers are implemented not for strategic reasons but “financial" reasons. Roberts and Kohlberg Kravis for example, acquire lowly functioning businesses and change the administrative heads with the aim of gearing up the depreciating sectors.

There is always a unique reason that inspires businesses to merge together. The motivating factor is the extra gains or benefits that are created by acquisitions and mergers a major instance being: 3 + 2 = 6. This scenario implies where the worth of firm X is $3 million and that of firm Y is $ 2 million however when the two firms are merged together their combined worth becomes $ 6 million instead of $5 in a normal arithmetic calculation. This extra worth that emerges after mergers is referred to as “synergy” value.

One clear instance of a popular merger in the world is Exxon and Mobil successful business blend that established ExxonMobil utilizing an amount of $81 billion to seal the agreement legally. This merger made ExxonMobil a leading business worldwide and this merger was so immense that the Federal Trade Commission taught it wise to introduce immense reformations in the oil and gas sector in order to avoid absolute domination and some level of monopoly by ExxonMobil. This company still stands as a huge frontrunner in the international gas and oil market, with Walmart being second to ExxonMobil as the biggest company held publicly. Disney and Pixar is another successful merger. Their merger revealed the idea faultlessly behind the reason why Disney had previously released all of Pixar's movies. These companies freely and without much effort joined forces together in post-merger period and developed in strength. After their merger they were able to come out with very sensational movies like "Bolt", "Up” and "WALL-E". One positive effect of the merger was gaining professional guidance from Disney on areas of advertisement, merchandising and marketing plugs (DiMaggio, 2009). However another side of the coin is the merger of U.S. car manufacturer Chrysler and Mercedes-Benz and rebranded using $37 billion to establish Daimler Chrysler. Then Cerberus Capital Management firm purchased Chrysler from Daimler Benz and it is an expert in rebuilding collapsing businesses in 2007 for about $7 billion (DiMaggio, 2009).

Every merger or acquisition, whether small or large, has intrinsic complications that need to be visibly understood and appropriately addressed to ensure that value is created. Michael Porter examined more than 2700 mergers and acquisitions dealings of 33 leading businesses across US between 1950 and 1986 that is 36 years and established that about 50-70 percent of mergers and acquisitions result in a failure mainly due to cultural and leadership clashes (cited in Kazík, 2009 p.61). It is therefore imperative that thorough understanding of the processes involved and their implications are clearly understood by both parties, both the acquired and the acquiring firm.

A merger is at times denoted to as an amalgamation, this is mainly because it involves the blend of both parties together. However for an acquisition, a company buys (acquires) at least 50+1 of the voting shares (ordinary shares) of the acquired firm. The acquirer assumes control of the management of the combined company. The identity of the acquired company is usually lost in an acquisition whiles this may not be so for a merger. Whiles mergers usually involve an exchange of shares, acquisitions involves the payment of cash to the acquired owners. A takeover bid usually affects an acquisition and the approval of the target company is a prerequisite in both cases. Frequently the difference is an enquiry about the grade or degree however, in the offering firm proposes to the target firm of almost the same level for an exchange on the bases of a stock for stock, the target firm stockholders will end with possessing part of the offering firm's capital of shares and the joined businesses will be spread between the shareholders of the joined businesses. If the offering firm is superior to the firm targeted, this operation is therefore seen as a takeover or an acquisition and the acquiring firm takes straight possession of the acquired firm. This usually where the acquired firm lives under the total governorship of the acquiring firm and it rebrands the acquired firm completely as itself. This is where the acquiring firm inculcates its administrative culture and principles into the acquiring firm to make it operate like itself and trend in its direction and aspiration. This business action briefly explains the nature of acquisition (Igweike, An Overview of Mergers and Acquisitions of Companies, 2014).

2.5 Measuring the economic gains of mergers & acquisitions

The growth of a company, profitability and enhanced efficiency are among the vital benefits that mergers and acquisitions provide. It is therefore essential that it is well planned, assessed and implemented. Precisely, enticing performance contract and other remunerations is very important to motivate key personnel of the merged companies to give out their best to achieve the set goal and the purpose for which the program of mergers and acquisition was instituted. Suitable conflict resolution procedures should be established and conscious effort made to secure the projected benefits of the merger. For the reason advantages from mergers and acquisitions do not merely happen they must be actively pursued. At the corporate level mergers and acquisition has been recognized by most companies as the most preferential non-organic strategy for accomplishing the purposes of their growth (Isaac Marfo Oduro, 2013). Key merger or acquisition deal is preceded by notice of the event on the stock market and this usually has the ability to improve shareholder value.

Whereas there are numerous prevalent ways to measure the value produced by mergers or acquisitions, the stock performance of the bidder, the target and the joined entity are the most extensively used approaches. Upon hearing the pronouncement or affirmation on the merger or acquisition, investors would generally examine the information concerning the merger to see whether it has a possible viability. If the merger is possibly viable, investors would be enthused to purchase more shares from the projected merged company.

The claim or demand for the shares rises than the supply and subsequently increases the price and this occurs when there is viability. Conversely if the merger does not climb up to its expectation, investors would reasonably opt to release or sell off their shareholdings from the merged companies which would result in the fall of share price ultimately because of the higher supply exceeding limited demand. Therefore from the observation above the pronouncement of merger and acquisition can generate negative or encouraging effect (Marfo, Amoako, &Gyau, 2013).

There are possibly three reasons for recording gains from a merger and these include:

- Mergers and acquisitions create prolific effectiveness that lead to higher profits and/or reduced capital spending. Mergers are usually validated by managers through forecasting functioning efficiencies.

- Mergers are often embarked on because of its favorable tax reasons, where merged companies are likely to pay lesser tax comparatively to individual companies before merger.

- Potentially, anti-competitive mergers among companies in similar industries could enable the merged companies to exercise market power, with the merger achievements rising at the expense of customers and suppliers.

Instances where mergers are driven by tax or anti-competitive motives, whereas the merging companies' shareholders gain, the net profits to the economy are less observable. The entire synergies from a merger consist of two components: synergies that come from variations in cash flow allied to operations, and financial synergies created by risen interest tax shields. If the benefits of merger emerge from economies of scale, the outcome would be operating synergies as a result of increase in revenue or reduction in cost of investment. If two businesses, X and Y are merged, there would be benefits resulting from the gains from synergies which create an increase in value above that of the present value of the two independent companies' cash flows:

PVxy = PVx + PVy + A

Where:

PVx=discounted cash flows of firm X;

PVy = discounted cash flows of firm Y;

PVxy= discounted cash flows of the merged companies, and A = gains.

Whenever there are higher gains or outcomes than the cost of transaction resulting from the adoption mergers value is therefore created. Some of these costs of transaction may include legal and accounting costs, underwriters' fees, adviser's fees, public relations bills, stock exchange fees, etc. Some companies initiate their merger analyses with a prediction of the target company's future cash flows. Any cost reductions or revenue increase attributable to the merger are factored in the forecasts, which are then discounted back to the present and compared with the purchase price:

Estimated net gain = DCF valuation of target including merger benefits - cash required for the acquisition.

The reasons for these effects of synergies have been offered, such as achieving swift access to new technologies or new markets, benefiting from economies of scale in research and/or production, tax advantages, risk diversification, tapping into sources of know how located outside the boundaries of the company and finally monopoly type advantages (Marfo, Amoako, &Gyau, 2013).

2.6 Causes of Failures of Mergers and Acquisitions

A number of factors causes Acquisitions and Mergers failures which could not fill the negative gabs which M&As are associated with. That a failed merger could be as a result of overconfidence, integration issues, overpayment, poor management decisions, strategic issues and selecting target amongst others is most impossible. There are always specific or fundamental aspirations which urge companies to enter into mergers and acquisitions hence if these fundamental objectives are ignored shortly after the mergers this ideology fails. (Attablayo 2012).

2.7 Summarization of the Ghanaian Banking Industry

The economy of Ghana is categorized essentially as a developing or an emerging economy comparatively to the western world economies. The banking sector as one of the numerous sectors holding the economy of Ghana plays imperative role in nourishing the economy and making it grow at a faster pace. Banking has gone through progressive development from pre-independence era and has gradually been transformed through difficult times to recent technological period. The primary motive of establishing banks was mainly to mediate between savers by taking their financial resources and giving it to borrowers for investment but this initial objective has developed more into more sophisticated international services through the internet. Banking today has moved from just taking deposits and paying cheques to more intense financial activities. Generally, the advancement of the sector of banking has held most sectors of the Ghanaian economy especially the private sector, as a cushion for their financial needs (Gockel, 1995). The establishment of banks began as far back as the pre-independent era with the ambition of rendering banking services to the trading businesses from Britain and the British colonial government. The Standard Chartered Bank previously called, The British Bank of British West Africa, came into being in 1896 and in the 1917, Barclays Bank Ghana Limited formerly referred to as Barclays Bank DCO also got established. Besides the banks duty of providing financial services to the foreign companies and the administration of the colonial government, the bank attracted the involvement of some African. The growing patronage of indigenous Africans prompted the establishment a local bank known as the Bank of the Gold Coast in 1953 to serve on behalf of local private sector. Ghana exited the West African Currency Board right after its independence and this led to division of the Gold Coast bank into the Ghana Commercial Bank to take care of the commercial banking duties and the Bank of Ghana to undertake the supervisory or central banking duties. In 1935, the co-operative bank was instituted by the colonial administration the farmers associations, to assist farmers in the buying of cocoa. In 1963, National Investment Bank was instituted to offer medium and long-term services financially to the agro-business and production sector by giving out loans and other credit facilities to assist these entrepreneurs. The Agricultural Development Bank formerly known as the Agricultural Credit and Co-operative Bank was instituted in 1965 to develop the area of agriculture by making accessible financial assistant. Since the provision of shelter is a priority to every good political administration The Bank of Ghana made way for the establishment of The Bank for Housing and Construction in 1972 to embark on financing mortgage, assist participation of expatriate or local private capital in joint ventures and construction activities in the economy. The Social Security Bank currently SG-SSB Bank limited was earlier known as The Security Guarantee Trust Limited (SGT) was instituted in 1975 to offer salaried workers to secure domestic goods. This bank also assisted small-scale industries with finances to grow their business and also for agricultural schemes. The singular Ghanaian banks in the merchant banking transactions were Ecobank Ghana Ltd., Merchant

Bank of Ghana Ltd., First Atlantic Bank Merchant Bank and CAL Merchant Bank Ltd. Additionally, specialized banks were instituted to provide for several credit requirements in the countryside sectors.

2.8 Mergers and acquisitions in Ghana

Acquisitions and Mergers are viable tactics to increase the return to shareholders if managed properly. Ghana has had a fair share of mergers and acquisitions, although it may be small relative to developed countries. However it still remains a strategic option that can and should be explored by the relevant stakeholders. The head the mergers and acquisitions counseling bureau at Stanbic Bank, Rodrigues Randolph shares this opinion and even predicts an increase in mergers and acquisitions movement in the country due to the status on local content across sectors of the country. He additionally explained that with larger foreign-owned enterprises looking for joint venture prospects to partner native businesses to enable its expansion to attract a larger market; there would be the need for the smaller stakeholders to acquire or merge together. He stated that with increasing growth and maturity of the economic sector of Ghana, most of the native businesses must grow have visionary prospects of increasing outside the borders of Ghana. With this mergers or acquisitions would be key in that regard (Daily Guide, 2014).

There are some notable mergers and acquisition in Ghana. Some include the merger of Ecobank and Trust Bank, Access Bank merging with Intercontinental Bank. At the later part of April 2014, Universal Merchant Bank (UMB) became the new band name of Merchant Bank Ghana. This was instituted by Fortis Equity Fund Ghana right after taking over the bank through acquisition. One major shareholder of the HFC Bank since December 2012 is the Republic Bank Limited after spending a sum of $8 million to acquire 8.7% fairness stake in the bank. In June 2013, the bank bought extra 23.3% shares which were previously under the domain of Aureos Africa Fund and this increased its stake from 8.7% to 32.02%. Additionally, in 2013, it attained 7.9% held by the Union Bank of Nigeria. This therefore raised Republic Bank Limited's shareholding in HFC Bank to the present 40%. Other outstanding M&A dealings comprise the acquisitions of Express Life and Provident Life by Prudential Plc and Old Mutual respectively, in the sector of insurance. Abraaj is a classified equity company with a huge influence in sub-Saharan Africa has witnessed tremendous growth mainly through acquiring FanMilk International who produces various fruit drinks and especially dairy products, Aureos Private Equity Fund, and Danone (international front runners in baby food, dairy and water products) . The agricultural sector has as well experienced acquisitions and mergers in Ghana. Wilmar Group acquired the Benso Oil Palm Plantation and the company has seen improved development after mergers. The mining sector has vibrantly demonstrated mergers and acquisitions activities in Ghana with AngloGold acquiring Ashanti Goldfield and the PMI Gold and Keegan Resources merged (Business Finder, 2014).

The peaceful political atmosphere and the optimistic press highlights about Ghana provides a good market for the economy and presents it positively to the world making it more attractive to foreign investors outside the country. The active and ever-growing telecommunication sector of Ghana cannot be left out of the business wind of mergers and acquisition. Spacefon settled initially in Ghana but was acquired by Areeba and was later taken over by MTN till date. This chain acquisition has made the MTN company a huge communication giant in Ghana and Africa as a whole. Zain Communication Company was also acquired by Airtel. Ghana Telecom and its One-touch mobile network were taken over by the foreign company Vodafone (Business Finder, 2014). In the year 2004, Ghana Breweries Limited was acquired by Guinness Ghana Limited, as well as SocieteGenerale acquiring Social Security Bank the same year. UT Holdings Ltd also acquired BPI Bank in 2008.

The latest merger and acquisition in Ghana, September 2014, is the acquisition of ProCredit Savings and Loans Company by Fidelity bank. This merger will expand the Fidelity bank if the pact is fully acknowledged by the central bank of Ghana (Bank of Ghana). This is the first time a local bank is acquiring a foreign savings and loans company in the country. This merger will improve the service offered by Fidelity bank through its expansion in the branch size nationwide with readily and more availability of its Automated Teller Machines. This will as well add up to the customer base and attract more customers. Edward Effah , the Managing Director of Fidelity bank commented that the ProCredit take over by Filedity will inure to the advantage of the bank in a more dynamic way which will go a long way to affirm the banks aspiration of occupying a top position of the Ghana banking industry (Citifmonline, 2014).

2.9 Effects of mergers and acquisitions on corporate performance

A number of studies on mergers and acquisitions have analyzed empirically the strong influence of M&A on the performance of businesses or corporate entities financially. Works done on this area of study with emphasis on financial data have dealt with the economic effect that emerges with the implementation of mergers and acquisitions by businesses. These studies examined the variations that occurred in merged organizations on their profitability as well as other economic returns and the outcomes are contradictory (Yilmaz-Altiok 2011).

Most of the works on this field produced positive and encouraging financial growth after implementation of mergers by businesses. For instance, a research done by Ismail et al (2010) revealed that the adoption of mergers and acquisitions by most organizations resulted in financial growth especially with the companies' profitability and other economic synergies over the years. Lau et al (2008) did an extensive study on the performance of companies by comparing their pre and post-merger operations. He concluded by providing statistical evidence buttressing his findings that companies performance improve tremendous after mergers than before. Improvement of companies. Waegelein and Ramaswamy (2003) before affirming that post-mergers provide significant positive growth on the performance of businesses, they studied comprehensively in Hong Kong on the long-term post-merger financial performance of merged companies.

Another study conducted by Gugler et al.(2003) revealed after his examination that mergers are very beneficial and there is positive profitability in the entire five years of post-mergers as merged companies attain 10% significant level each year. The study further analyzed on the level of countries by advocating that Canada, New Zealand, Australia, Continental Europe, United Kingdom and the United State experienced similar model concerning the reduction in sales and growth in profitability. To some extent there were different outcomes in his study in Japan as he concluded that among the five profit evaluations, three stood negative whereas sales were bigger than estimated in two of the five post- merger years.

Contrary to the studies analyzed above, some studies on mergers have revealed that the adoption of mergers as an alternative external business strategy for growth may not be beneficial automatically as some merged companies experienced post-merger losses and negative effects on their performance. Some of these studies were: Yeh and Hoshino (2002) reported that megers resulted in diminishing trend in the company's profitability, reduced levels of sales transactions, decreasing productivity and negative culture affecting the workforce and passion towards excellent delivery of services. They concluded in general that the adoption of mergers does not impact positively on the company's performance. Pazarskis et al (2006) also analyzed that mergers and acquisitions lead to a reduction in firm's profitability.

Altiol-Yilmaz (2011) also endorsed the negative effects of mergers and acquisitions in his study by assessing some indicators of financial performance like Return on Equity, Return on Sales and Return on Asset. He concluded that the values of these performance indicators decreased after mergers as compared to the values before the mergers. Other studies on mergers like Tambi (2005) Ravenscraft and Scherer (1987) and Hogarty (1978) also examined and established that the performance of businesses diminished significantly after mergers and acquisitions.

There have been numerous empirical works on mergers and acquisitions which has concluded on diverse outcomes. Study by King et al (2004) indicated that acquisitions and mergers do not result in greater growth in the performance of firms. They emphasized that the reliance on mergers as a growth strategy does not impact positively on the financial performance of merged companies in the long-term. Kumar (2009) also settled in his study that after merger solvency of the acquiring companies, turnover of assets and profitability, normally display lesser growth comparatively to values in periods before mergers. Pajara-Pascual and Cabanda (2007) studied and conveyed that financial performance indicating values which portrays the competence of companies like turnover of assets, capital sales and expenditure, return on sales, net income return on asset, capital expenditure/total asset depicted varied outcomes in periods before and after mergers. These performance variables raised in value significantly for some merged companies in the long-run analysis whereas these same performance variables resulted negatively for some merged companies in the short run and as well concluded that mergers and acquisitions does not generally improve the performances of businesses both in long-run and short-run period.

Oduro&Agyei (2013) investigated the outcomes of the adoption of acquisition and mergers by an organization and its performance financially between the years 1999 and 2010 on Stock

Exchange Market of Ghana. This work was statistically centered and it employed T-testing with the univariate method and also used the panel data for analyzing the methodology of the study. Univariate methodology usage enabled the disclosure of diminishing output produced by the post-merger for the organizations whilst the significant disparity in-terms of the gains realized by the organizations was shown by the T-test analyses for both pre and post-merger. The panel data analysis however specified that there is significant adverse effect on the organization or firm's outcome or gains as a result of the adoption of mergers and acquisitions. In addition, the outcomes show that the size of the organization and its accompanied risk has appreciably inverse connection with gains of the organization whereas the progression of the organization and debt capital and growth expand the profitability of the business.

2.10 Conclusion

The performance of a merged organization may diminish relative to the established business standards subsequently on the progression of the adoption of the merger activities but the merger may generate higher performance in relation to the absence of merger by an organization. Therefore it is necessary for organizations to consider all these alternatives before concluding on the financial performance of merged firms.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This section provides the framework of the research methodology or procedure of the study. For this study, the population is all the three (3) major banks that have experienced a successful merging and acquisitions presently cited in the official day to day lists of the Ghana Stock Exchange (GSE) market. This research relied on valid secondary data acquired and computed from the banks' official publication of their annual reports and accounts encompassing the periods before mergers and acquisitions and the periods after mergers and acquisitions. The confines or limitations of the study are also explained here in this chapter. The purpose of this section is to provide an experienced investigator adequate information to replicate the study.

3.2 Profile of three (3) banks

Ecobank Ghana merged with The Trust Bank in the year 2011. The approval by the Bank of Ghana furnished Ecobank a complete ownership of The Trust Bank at an estimation of about 220 million Ghana cedis. Although there is not much information on successful mergers, there is little information on successful and non-successful mergers in Africa, especially Ghana and this study hoped to bridge that gap.

SG-SSB was established in the year 1975 as Security Guarantee Trust Limited. The bank was exclusively under the ownership of the Social Security and National Insurance Trust (SSNIT) of Ghana. SG-SSB as the name of the bank was rebranded in 2004 following SociétéGénérales attainment of greater shares of 52.24% commanding interest in the bank. SG-SSB is currently a member of the SociétéGénérale Bank Group with twelve (12) affiliates.

Access Bank (Ghana) Limited announced its merger with Intercontinental Bank Ghana (IBG) in 2012 after a series of behind the scene processes between the two banks. The merger created an upgrading status for the bank making it one of the leading financial institutions among Ghana's top seven banks by a number of metrics. Correspondingly, the merger has transmogrified Access Bank as the ultimate capitalized bank in the industry, in connection with paid-up capital, with sturdy liquidity and formidable levels of capital. A number of significant details concerning the emerged entity also point to immense growth other important economic synergies.

3.3 Data type and Source

This study makes use of secondary data on the performance of Ecobank's merger with The Trust Bank, SocieteGenerale with SSB and Access Bank with Intercontinental bank. The data are obtained from annual reports of the respective banks which are listed on the Ghana Stock Exchange which covers the periods before mergers and acquisitions and the periods after mergers and acquisitions.

3.4 Data Analysis Method

The study depended on secondary data and these data were analyzed and discussed, in aid of carefully selected financial ratios they were computed as obtained from information gathered. Totalization of selected financial rations was made before and after merger and acquisitions for the selected banks in Ghana. The calculation of the ratios for the periods surrounding the acquisition dates facilitated in recognizing and relating the general tendency of events in corporate financial acts of acquired banks before mergers and of merged banks after mergers and acquisitions. The performance indicators (classes of ratios) were computed to quantity the bank‘s profitability, capital adequacy, growth, financial leverage, liquidity, efficiency and expense ratios.

3.5.1 Univariate Approach

Each banks financial data was convened into Pre-merger and Post-merger periods. The study obtained descriptive statistics for each bank group before and after the merger and examined differences in pre and post-merger financial acts.

3.5.2 Panel Data Approach

Panel data approach was used to allow the study of cross section data over some period of time. The blend of time series with cross-sections boosted the quality and quantity of data in ways that would be difficult using only one of these two dimensions.

3.5.2.1 The Model

The elementary model is written as

$$Y_{it} = \alpha + \beta X_{it} + \varepsilon_{it} \qquad \text{(i)}$$

Where Y_{it} represents the dependent variable (Return on Equity), α represents the intercept, β represents the slope and X_i represents the independent variable (Mergers or Acquisitions). The following selected factors, capital structure, growth, risk and size where used to examine the performance on banks productivity. Explicitly, the real impact of M&A on business performance and the degree to which merger illuminates the changes in banks productivity contained within the study were determined using regression model below:

$$ROE_{i,t} = \alpha_0 + \beta 1M\&A_{i,t} + B2NIM_{i,t} + B3SIZE_{i,t} + B4LEV_{i,t}. + \varepsilon_{it} \qquad \text{(ii)}$$

$$ROA_{i,t} = \alpha_0 + \beta 1M\&A_{i,t} + B2NIM_{i,t} + B3SIZE_{i,t} + B4LEV_{i,t}. + \varepsilon_{it} \qquad \text{(iii)}$$

The variables above are explained as follow; the ROE denotes Return on Equity, ROA denotes Return on Asset, M&A denotes (merger or acquisition) dummy variable where 1 stands for post-merger and 0 otherwise, NIM denotes Net interest Margin, SIZE denotes size of the banks proxied by log of total assets and LEV denotes leverage of the banks.

This study made use of STATA and Statistical Package for Social Sciences (SPSS) for the data scrutiny and analyses. The data used for the measurement of performance before and after the mergers and acquisitions was balanced.

CHAPTER FOUR

OUTCOMES AND DISCUSSIONS

4.1 Introduction

This chapter gives clear analyses and discussion of results according to the objectives of the study. The chapter explains the actual reasons behind the study and produces the outcome of the variables used in measuring the impact of mergers and acquisitions on banks performance in Ghana.

4.2 Assessing mergers and acquisitions of three different banks in Ghana.

One specific objective of this study is to assess mergers and acquisition beyond a single case; that is not concentrating on the use of one single bank as a case study but combining the three major banks that have undergone successful mergers and acquisitions.

Various researches on this field have examined the profitability and challenges that emit from M&As on single case study like (Attablayo 2012, on SocieteGenerale's acquisition of SSB), (Boateng 2015, on Ecobank and the Trust Bank mergers), others include Gatsi and Agbenu (2006), Gatsiand Nyarkotey (2010), Seidu, (2011) either focused on single business merger agreement or centered on shorter time-frame or both in Ghana.

However, this study focused on the mergers and acquisitions happening in the banking sector and the impact of this business growth strategy on banks performance beyond a single bank as a case study in developing economy-Ghana. This research therefore combined three major successful mergers and acquisitions that is Ecobank merger with The Trust Bank, SocieteGenerale's acquisition of the Social Security Bank and the Access Bank's acquisition of the Intercontinental Bank in Ghana.

This research made use of the published financial reports of the three banks listed on the Ghana Stock Exchange and assessed them at a case study specifically on their profitability and assets before and after mergers and acquisitions.

Ecobank Ghana merged with The Trust Bank in the year 2011. The approval by the Bank of Ghana furnished Ecobank a complete ownership of The Trust Bank at an estimation of about 220 million Ghana cedis. Although there is not much information on successful mergers, there is little information on successful and non-successful mergers in Africa, especially Ghana and this study hoped to bridge that gap.

SG-SSB was established in the year 1975 as Security Guarantee Trust Limited. The bank was exclusively under the ownership of the Social Security and National Insurance Trust (SSNIT) of Ghana. SG-SSB as the name of the bank was rebranded in 2004 following SociétéGénérales attainment of greater shares of 52.24% commanding interest in the bank. SG-SSB is currently a member of the SociétéGénérale Bank Group with twelve (12) affiliates.

Access Bank (Ghana) Limited announced its merger with Intercontinental Bank Ghana (IBG) in 2012 after a series of behind the scene processes between the two banks. The merger created an upgrading status for the bank making it one of the leading financial institutions among Ghana's top seven banks by a number of metrics. Correspondingly, the merger has transmogrified Access Bank as the ultimate capitalized bank in the industry, in connection with paid-up capital, with sturdy liquidity and formidable levels of capital. A number of significant details concerning the emerged entity also point to immense growth other important economic synergies.

The outcomes and discussions in this chapter are based on the three banks as a case study.

4.3 Review of Data Variables used in the study

Table 4.1 summarizes descriptive data of the variables used in our study. Over the sample period and across banks, the average ROA is 2.1%. ROA varies between 1.6% and 2.5% .The degree of variability is also witnessed by the standard deviation. ROA deviates from its mean on average by 0.3%. The average ROE on the other hand is 10.97% and varies between 7.5% and 13.6 %. The degree of variability is also witnessed by the standard deviation. ROE deviates from its mean on average by 0.3%. The debt asset ratio (a proxy for leverage) is on average estimated at 0.80 across the three banks and over time. The ratios vary between 0.78 and 0.85. The range of variation causes the data to deviate from the sample mean by 0.025. The size of the three banks across time is on average estimated at 13.92.The values range between 13.58 and 14.61 with a standard deviation estimated at 0.39. The net interest income (NIM) averages 47633.28 GHC. The values range from 33306 and 81443 GHC with the standard deviation estimated at 12,628 GHC.

Table 4.2.1: Descriptive Data of variables used in the study

Variables	Mean	Max	Min	SD
ROA	.0210409	.0252342	.0163101	.0039396
ROE	.1097595	.1361993	.0754167	.0261872
LEV	.8041628	.8574852	.7828517	.025961
SIZE	13.92121	14.61066	13.58897	.3923798
NIM	47633.28	81443	33306	12628.56

4.4 Correlation matrix

The Pearson coefficients of connection amongst the variables under investigation are reported in Table 4.3.1. The correlation matrix measures the extent of correlation between variables whether strong or not strong. The results show ROE, the leverage of the banks, the size of the banks and bank mergers have a positive correlation with ROA. These variables and ROA move in the same direction. The Net Interest Income(NIM) also have a negative correlation with Rate of Return on Asset with a value of -0.3260.Also, the leverage of the banks, the size of the banks and bank mergers have a positive correlation with ROE with values of 0.0568 , 0.0835 and 0.5024 respectively. The Net Interest Income (NIM) also has a negative correlation with Return on Equity with a value of -0.0062.

Table 4.3.1: Correlation Matrix

Variables	ROA	ROE	LEV	SIZE	MEG	NIM
ROA	1					
ROE	0.1021	1				
LEV	0.1697	0.0568	1			
SIZE	0.0974	0.0835	0.9894	1		
MEG	0.1295	0.5024	-0.1559	-0.1488	1	
NIM	-0.3260	-0.0062	0.8755	0.8956	-0.2179	1

4.5 Assessing the impact of the mergers and acquisitions on banks performance financially before and after the merger in Ghana.

Table 4.4.1 Highlight of Profitability and Assets trend of Ecobank and The Trust Bank

YEARS	2008	2009	2010	2011	2012	2013	2014
	GHS 00	GHS 00	GHS 00	GHS 00	GHS 00	GHS 00	GHS 00
	PROFIT AFTER TAX						
	(BEFORE MERGER)				(AFTER MERGER)		
ECOBANK	33,579	53,853	60,117	72,381	143,169	185,862	309,613
TTB	9,600	15,800	22,400	31,388			
TOTAL	43,179	69,653	82,517	103,769			
	TOTAL ASSET						
	(BEFORE MERGER)				(AFTER MERGER)		
ECOBANK	919,695	1,388,193	1,521,229	2,132,183	3,378,843	4,624,405	5,669,630
TTB	253,000	311,700	463,900	577,474			
TOTAL	1,172,695	1,699,893	1,985,129	2,709,657			

Table 4.4.1 Shows the growth trend of profit and the value of asset of Ecobank and The Trust Bank operating separately as individual banks before the merger from 2008 to 2011 and after their merger 2012 to 2014. The figures for profit and the value of asset indicate clearly that the merger produced tremendous growth after the merger than the totality of their profits and asset value each year of the pre-merger periods. The profit and asset figures produced after merger give credence to the idea that there is always a unique reason that inspires businesses

to merge together and that the motivating factor is the extra gains or benefits that are created by acquisitions and mergers a major instance being: 3 + 2 = 6.

Table 4.4.2 Highlight of Profitability and Assets trend of SocieteGenerale's and SSB (GROUP LEVEL PERFORMANCE)

YEARS	2008	2009	2010	2011	2012	2013	2014
	GHS 00	GHS 00	GHS 00	GHS 00	GHS 00	GHS 00	GHS 00
	PROFIT AFTER TAX						
	(BEFORE MERGER)				(AFTER ACQUISITION)		
SG-SSB	15,521,697	19,293,069	19,370,322	22,872,031			
SOCIETE GENERALE					30,266,314	36,364,192	49,811,545
TOTAL							
	TOTAL ASSET						
	(BEFORE MERGER)				(AFTER ACQUISITION)		
SG-SSB	436,765,121	576,694,386	685,912,663	841,077,204			
SOCIETE GENERALE					1,088,926,547	1,216,553,205	1,675,949,364
TOTAL							

Table 4.4.2 demonstrates the trend of growth in profit and the value of asset of SocieteGenerale before and after its acquisition of the Social Security Bank. Unlike Ecobank and TTB which operated distinctly as banks in Ghana, SocieteGenerale is foreign company with major shares in SSB and was not transacting as a separate financial company in Ghana but operated through SSB till it acquired the bank and attaining major shares. The table 4.4.2 above therefore analyses the bank on its group level. The profit and asset figures after the acquisition depict doubtless financial growth comparatively to the period where SocieteGenerale was a minor shareholder.

Table 4.4.3 Highlight of Profitability and Assets trend of Access bank after acquisition

YEARS	2012	2013	2014
	GHS00	GHS00	GHS00
	PROFIT AFTER TAX		
ACCESS BANK	20,119	13,841	39,529
	TOTAL ASSET		
ACCESS BANK	797,291	845,169	1,380,237

Table 4.4.3 concentrated on description of the trend of Access bank's profitability and its total asset after acquisition. Different from Ecobank and TTB which operated distinctly as banks in Ghana, Access Bank is foreign bank which was not operating as a separate financial institution in Ghana but appeared in the Ghanaian banking business after acquiring another foreign bank (Intercontinental bank) operating in Ghana. Before this acquisition, the Intercontinental bank was struggling to meet the Bank of Ghana's minimum threshold expected by banks in Ghana to have in order to continue its banking business. Access therefore took over Intercontinental bank and has since developed financially in the Ghanaian economy. The profit and asset figures after the acquisition depict undoubtedly financial growth as compared to the period of Intercontinental bank days.

4.5.1 Effects of mergers and acquisitions on banks performance.

The study of mergers and acquisitions proceeded empirically to estimate results on the performance of banks controlling other factors that can manipulate the performance of the banks. The parameters were estimated using OLS given the relatively short period considered in the study. The results are presented in Table

Table 4.5.2: OLS Estimate of the outcomes of mergers and acquisition on acts of banks

	ROA	**ROE**
CONS	-.1874551** (0.0844)	1.318412 (.4966694)
NIM	0.0700*** (0.0188)	0.0237647** (0.0121906)
LEV	0.5115495* (.2750)	0.886654*** (0.3573718)
SIZE	-.0121734 (.0198)	.305816 (0.2454835)
MEG	.0259091*** (.0020518)	0.0839021*** (.0254045)
GOODNESS OF FIT	R-squared = 0.9408 Adj R-squared = 0.9225 F(4, 13) = 51.61 Prob> F = 0.0000	R-squared = 0.96980 Adj R-squared = 0.96572 F(4, 13) = 53.83 Prob> F = 0.0000

,**, means significant at 10%, 5% and 1% correspondingly.**

From table 4.5.2, it can be seen that the two models have a good fit. The models with ROA as a dependent variable have an R-squared of 0.9408 and the one with ROE as the dependent variable has an R-squared of 0.96980. This suggests that 94% and approximately 97% of the variation in ROA and ROE respectively elucidate the independent variables integrated in the representation. The F-statistic is also significant for the two models at the 1% level which implies that the independent variables jointly explain ROA and ROE

The result of the study indicates that mergers and acquisitions have a positive influence on both ROA and ROE and this significant at 1% for both performance measures. Specifically, banks that have merged are likely to experience an increase in ROA by 0.026% and ROE by 0.08%

This finding agrees with that of Ismail et al. (2010), Ramaswamy and Waegelein (2003), Gugler et al (2003) and Lau et al. (2008) who also found out improved performance after mergers and acquisitions.

The study found out that Net interest margin (NIM) also has a positive effect on performance of banks in Ghanaian banks. An increase in NIM by 1% leads to an increase in ROA by 0.070% and ROE by 0.023%.This result implies that banks in Ghana probably put in control measures necessary to reduce cost and thereby operate efficiently. This efficiency hence leads to a positive performance.

The leverage of the banks also has a positive influence on their performance. For ROA, a 1% raise in the leverage results in a 0.52% raise in the performance and this is significant at the 10% level. For ROE, a 1% raise in leverage leads to a 0.88% swell in the performance and this is also significant at the 1% level

4.6 Test of difference of means of ROA and ROE

The study performed an independent test of difference of mean to ascertain if there have been any significant differences in ROA and ROE before and after the mergers. The results are presented in Table 4.3 and 4.4 respectively. The test indicates that ROA and ROE in the pre-merger era was significantly lower than that of post -merger era. For, ROA the mean pre-merger value is 0.020 and that of the post-merger era is 0.047 with a t-statistic of -9.3859 which is at the 1% significance level. The mean value of pre-merger ROE is 0.10 and that of the post-merger is 0.19 with a t-statistic of -3.79 which is important too at the 1% level.

Consequently, the outcome put forward that banks performances improved significantly after mergers. This finding agrees with that of Ramaswamy and Waegelein (2003), Gugler et al (2003), Lau et al. (2008) and Ismail et al. (2010) who also found out improved performance after mergers and acquisitions. The results however contradicts that of Oduro and Agyei(2013) and Altiol-Yilmaz (2011) who found out that the financial performance of firms decreased after mergers and acquisitions

Table 4.6.1: T-test of difference of means of ROA

	N	Mean	Std error	SD	T -stat	Prob
Pre-merger	9	.0205451	.0013546	.0040637	-9.3859	0.0000
Post-Merger	9	.0475577	.0025393	.0076179		

Table 4.6.2: T-test of difference of means of ROE

	N	Mean	Std error	SD	T -stat	Prob
Pre-merger		.1033839	.0100796	.0302388	-3.7976	0.0008
Post-Merger		.1911206	.0207884	.0623651		

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter provides a brief statement of the main results of the study and goes on to conclude and offer some policy recommendations.

5.1 Summary

The study investigated the consequences of mergers and acquisitions on the performance of Ghanaian Banks using three banks as a case study. The study looks attentively on a data period of three years before mergers and three years after merger. The study employed both descriptive and inferential analysis. A test of difference of mean between ROE and ROA before and after merger was conducted and also a panel data analysis was employed to scrutinize the outcome of mergers and acquisitions on bank performance.

The study found out that on average the banks have an ROA and ROE of 0.021 and 0.1097% respectively. The average ROA and ROE before merger was 0.020 and 0.10 respectively whiles that of post-merger ROA and ROE was 0.047 and 0.19 respectively. The mean test of difference suggests that post-merger performance of the banks was higher that of pre-merger performances and this was significant. This finding was corroborated by the panel data analysis based on OLS where it revealed that mergers and acquisition statistically have a momentous positive outcome on ROA and ROE. Other variables (variables) which significantly influence ROA and ROE are leverage and Net Income Margin.

5.2 Conclusion

In relation to the major outcome of the study, it was therefore arrived that mergers and acquisitions can contribute positively to the concert of banks in Ghana. Thus banks which engaged in mergers and are efficient in the allocation of resources are likely to witness a significant improvement in their performance levels.

This study therefore succeeded in assessing mergers and acquisitions beyond a single case as it achieved its objective of analyzing the impact of M&As on the performance of the three major banks that have experienced successful mergers in Ghana. This impact has been positive for all the banks involved.

5.3 Recommendation

This study reveals the need for banks to seriously consider M&As as a good option for their financial growth and expanding their asset.

The study urges banks to put in more imperative financial products and marketing strategies that can augment financial effectiveness for a better economic spot regarding gross earnings, profit after tax and deposit profile so as to attain benefits of mergers and acquisition after bidding in the Ghanaian banking sector.

The study as well urges banks to withstand the integration challenges that may erupt after M&As and focus more on their reason of adopting M&As as business strategy.

The study also recommends that the managements of the merged banks improve on their integration strategies to flawlessly bring together their various ambitions and ideas to achieve a common objective for the bank.

REFERENCES

Adavikolanu, S., & Korrapati, R. B. (2009, January). A study on value creation in serial acquisition of technology firms. In *Allied Academies International Conference. Academy of Strategic Management. Proceedings* (Vol. 8, No. 1, p. 1). Jordan Whitney Enterprises, Inc.

Attablayo, A. T. (2012). *The Impact of Post Merger and Acquisition Activities on the Performance of Banks: A Study of Société Générale-Social Security Bank, Ghana* (Doctoral dissertation, Institute Of Distance Learning, Kwame Nkrumah University of Science and Technology).

Berger, A. N., Saunders, A., Scalise, J. M., & Udell, G. F. (1998). The effects of bank mergers and acquisitions on small business lending. *Journal of financial Economics*, *50*(2), 187-229.

Brownbridge, M., & Gockel, A. F. (1996). *The impact of financial sector policies on banking in Ghana*. Institute of Development Studies.

Calderón, C., Loayza, N., & Servén, L. (2004). Greenfield foreign direct investment and mergers and acquisitions: feedback and macroeconomic effects

Du, M., & Boateng, A. (2015). State ownership, institutional effects and value creation in cross-border mergers & acquisitions by Chinese firms. *International Business Review*, *24*(3), 430-442.

Ecobank. (2014, Feburary 10). About Us: Ecobank. Retrieved September 10, 2014, from Ecobank: http://www.ecobank.com/group/aboutus.aspx

Ecobank Ghana. (2014). Annual Report 2014. Accra: Ecobank Ghana. Ecobank Ghana Ltd. (2012). Annual Reports, 2012. Accra: Ecobank Ghana.Ghana Web, (2012).

Gaughan, P. A. (2010). *Mergers, acquisitions, and corporate restructurings*. John Wiley & Sons.

Gill, C. (2012). The role of leadership in successful international mergers and acquisitions: Why Renault-Nissan succeeded and DaimlerChrysler-Mitsubishi failed. *Human Resource Management*, *51*(3), 433-456.

Herd, T. J., & McManus, R. (2012). Who says M&A doesn't create value?. *Outlook (Accenture)*.

Khan, A. A., & Ikram, S. (2012). Testing the Efficiency of Indian Stock Market Vis-À-Vis Merger and Acquisitions-A Study of Indian Banking Sector. *International Journal of Latest Trends in Finance and Economic Sciences*, *2*(2).

Kalra, R. (2013). Mergers and Acquisitions: An Empirical Study on the Post-Merger Performance of Selected Corporate Firms in India. *IUP Journal of Business Strategy*, *10*(4), 7.

Kazík, R. (2012). The impact of the corporate culture on the success or the failure of mergers and acquisitions. *cit*, *2008*, 02-20.

Krishnakumar, D., & Sethi, M. (2012). Methodologies used to determine mergers and acquisitions' performance. *Academy of Accounting and Financial Studies Journal*, *16*(3), 75.

Krug, J. A. (2009). Brain drain: why top management bolts after M&As. *Journal of Business Strategy*, *30*(6), 4-14.

Lin, C. Y., & Lee, H. T. (2010). The bigger the better? Merger and acquisition performance of financial holding corporations: Empirical evidence from Taiwan. *Emerging Markets Finance and Trade*, *46*(1), 96-107

Mittal, A., & Jain, P. K. (2012). Mergers and acquisitions performance system: integrated framework for strategy formulation and execution using flexible strategy game-card. *Global Journal of Flexible Systems Management*, *13*(1), 41-56.

.

Oppong, S., Agyemang, C. B., & Asumeng, M. Planning corporate post-acquisition: Application of social penetration theory and managerial implications.

Ojanen, V., Salmi, P., & Torkkeli, M. (2008). Cross-border acquisitions in technical engineering sector: motives, trends and effects in finnish consultancies. *International Journal of Management Science and Engineering Management*, *3*(2), 151-160.

Pedersen, M. H., & Scherrer, C. (2016). Empirical Study of Value Creation through Merger and Acquisitions

Porter, M. E. (2001). Competition and antitrust: toward a productivity-based approach to evaluating mergers and joint ventures. *Antitrust Bull.*, *46*, 919.

Ramaswamy, K. P., & Waegelein, J. F. (2003). Firm financial performance following mergers. *Review of Quantitative Finance and Accounting*, *20*(2), 115-126.

Rau, P. R., & Vermaelen, T. (1998). Glamour, value and the post-acquisition performance of acquiring firms. *Journal of financial economics*, *49*(2), 223-253.

Ravenscraft, D. J., & Scherer, F. M. (1987). Life after takeover. *The Journal of Industrial Economics*, 147-156

Shukla, A., & Gekara, M. G. (2010). Effects of Multinational Mergers and Acquisitions on Shareholders' Wealth and Corporate Performance. *IUP Journal of Accounting Research & Audit Practices*, *9*(1/2), 44.

Sudarsanam, S., Wright, M., & Huang, J. (2011). Target bankruptcy risk and its impact on going private buyout performance and exit. *Corporate Governance: an international review*, *19*(3), 240-258.

via Hybrid, S. M. I. P., Inertia Factor, P. S. O., & Constriction Coefficient, P. S. O. International Journal of Academic Research in Accounting, Finance and Management Sciences

Watson, D., & Head, A. (2010). *Corporate finance: principles and practice*. Pearson Education.

Yeh, T. M., & Hoshino, Y. (2002). Productivity and operating performance of Japanese merging firms: Keiretsu-related and independent mergers. *Japan and the World Economy*, *14*(3), 347-366.

Zollo, M., & Singh, H. (2004). Deliberate learning in corporate acquisitions: post-acquisition strategies and integration capability in US bank mergers. *Strategic Management Journal*, *25*(13), 1233-1256.

.

.

.

daniel's project

by Daniel Harrison Nkrumah

daniel's project

ORIGINALITY REPORT

13%	6%	3%	9%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	www.slideshare.net Internet Source	4%
2	Submitted to Ghana Technology University College Student Paper	2%
3	Submitted to Istanbul Bilgi University Student Paper	2%
4	www.cscanada.net Internet Source	1%
5	Submitted to University of Leeds Student Paper	1%
6	Submitted to Buckinghamshire Chilterns University College Student Paper	<1%
7	Submitted to Higher Education Commission Pakistan Student Paper	<1%
8	Submitted to Waikato University Student Paper	<1%

9	Submitted to Laureate Higher Education Group Student Paper	<1%
10	Submitted to Bradford College, West Yorkshire Student Paper	<1%
11	Submitted to University of Durham Student Paper	<1%
12	Submitted to Greenwich School of Management Student Paper	<1%
13	eprints.kfupm.edu.sa Internet Source	<1%
14	Submitted to University of Greenwich Student Paper	<1%
15	ir.knust.edu.gh Internet Source	<1%
16	nbii-nin.ciesin.columbia.edu Internet Source	<1%
17	www.paho.org Internet Source	<1%
18	Tchereni, B.H.M., T.J. Sekhampu, and R.F. Ndovi. "The Impact of Foreign Debt on Economic Growth in Malawi : Impact of Foreign Debt on Economic Growth in Malawi", African Development Review, 2013. Publication	<1%

19	Submitted to Australian Institute of Business Student Paper	<1%
20	Rani, Neelam, Surendra S Yadav, and P K Jain. "Post-M&A Operating Performance of Indian Acquiring Firms: A Du Pont Analysis", International Journal of Economics and Finance, 2013. Publication	<1%

EXCLUDE QUOTES	OFF	EXCLUDE MATCHES	OFF
EXCLUDE BIBLIOGRAPHY	OFF		