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**Boundary spanning and subordinate—leader trust:
A tale of two acquisitions in a multicultural emerging economy**

*Full-length paper submitted to the
Journal of World Business Paper Development Workshop 2018*

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ABSTRACT

How does trust develop in new subordinate—leader relationships during post-acquisition integration? Does boundary spanning facilitate or hamper trust? Cultural differences between the acquirer and acquired firm add to integration uncertainty, occurring at multiple, interconnected levels (national, organizational, functional cultures). Multicultural societies add another layer of complexity. This study compares a domestic M&A with a South African cross-border acquisition in the Malaysian financial industry. The analysis reveals that boundary spanning by acquirer and acquired-firm managers facilitated subordinate—leader trust development. I thus posit that boundary spanning mitigates uncertainty and cultural differences during integration. Further and paradoxically, integrating domestic rather than cross-border acquisitions can be more complex when intra-national culture differences are accounted for. This paper offers insights for advancing Western-developed theories and for more successful integration.

Keywords: mergers and acquisitions, interpersonal trust, boundary spanning, emerging economies, Malaysia

INTRODUCTION

Mergers and acquisitions (M&As) are burdened by high failure rates. At best only half succeed (Cartwright & Cooper, 1993; Haspeslagh & Jemison, 1991).ⁱ Post-acquisition integration is a vital process characterized by complexity, uncertainty and unpredictability (Cording et al., 2008; Graebner et al., 2017). Birkinshaw et al.'s (2000) seminal paper argues that successful human integration facilitates the effectiveness of task integration, although both processes determine acquisition success.

Cultural differences between the acquirer and acquired firm add to integration uncertainty and complexity, and have long been blamed for unsuccessful domestic and cross-border M&As (Buono et al., 1985; Cartwright & Cooper, 1993; Chatterjee et al., 1992; Nahavandi & Malekzadeh, 1988). Culture is a multifaceted construct incorporating shared assumptions, practices, values, artifacts, and rituals (Taras et al., 2009; 2016). Cultural differences often lead to complex trust dynamics and relationships between acquirer and acquired-firm personnel (Buono & Bowditch, 1989; Stahl & Voigt, 2008; Teerikangas & Véry, 2006). Cultural challenges occur at multiple, interconnected levels including national, industrial, organizational, functional and professional cultures in M&As (Teerikangas & Véry, 2006). Scholars have yet to address this interconnectivity adequately (*ibid.*), despite pinpointing national and organizational culture differences as the main integration challenges (Brannen & Peterson, 2009; Chatterjee et al., 1992; Shimizu et al., 2004). Moreover, the M&A cultural 'baggage' (Teerikangas & Véry, 2006) can be weighed down further by within-country cultural diversity. Recent studies highlight the complexities of multifaith and multilingual societies in cross-border M&As (Cuypers et al., 2015; Dow et al., 2016; Kroon et al., 2015; Kwok & Meschi, 2017). In particular, Dow et al. (2016) found that multifaith and multilingual societies can add complexity to behavioral uncertainty and information asymmetry between foreign acquirers and local acquired firms.

Trust is a complex, multilevel (Currall & Inkpen, 2002) and multifaceted construct (Mayer et al., 1995; Rousseau et al., 1998). It refers to positive expectations when the trustor is vulnerable to the trustee's actions (ibid.). Trust is essential in M&As (Graebner, 2009; Lander & Kooning, 2013; Maguire & Phillips, 2008; Stahl et al., 2011; 2012). During post-acquisition integration, trust facilitates cooperation, job performance, resource sharing, and knowledge transfer (Bauer et al., 2016; Stahl & Sitkin, 2005; 2010). However, unanswered questions remain about how trust develops during integration, especially in subordinate—leader relationships (Graebner et al., 2017).

Inspired by calls for a multilayered, multifaceted and contextual view of culture in multiple domains (e.g., Dietz et al., 2010; Leung et al., 2005; Tung, 2008), this study addresses the following research question: How does trust develop in new subordinate—leader relationships amidst the uncertainty and cultural differences of post-acquisition integration? The research is contextualized in Malaysia, a multicultural, middle-ranking emerging economy in Southeast Asia for cross-border M&As (UNCTAD, 2017). Emerging-economy firms actively engage in both domestic and cross-border M&As (Aybar & Ficici, 2009; Bandeira-De-Mello et al., 2015; Lebedev et al., 2015). Interestingly, Malaysia's M&A volume and value increased in 2017 despite the decline in global deals (Duff & Phelps, 2017).

Equally, this paper addresses another gap in M&A scholarship, on the difference between integrating domestic vs. international acquisitions. Most researchers contend that integrating cross-border M&As is riskier and more complicated than domestic deals (Angwin & Savill, 1997; Barkema et al., 1996; Olie, 1994). Yet, some demonstrate that domestic M&A integration can be more challenging: despite the merging firms' shared national culture, organizational culture differences can hinder the integration process (Véry et al., 1996; 1997). In fact, the differences between domestic and cross-border M&As are still

poorly understood (Bris & Cabolis, 2008; Gregory & O'Donohoe, 2014; Reynolds & Teerikangas, 2015).

I apply a comparative two-case research design in the Malaysian financial services industry, with a domestic M&A and a South African cross-border acquisition. South Africa and Malaysia are *newly developed mid-range emerging economies* (Hoskisson et al., 2013). The domestic M&A combines potentially conflicting cultures: two government-linked corporations (GLCs) with majority ethnic Malay personnel, and two entrepreneurial firms with mainly ethnic Chinese personnel.ⁱⁱ Using an abductive approach (Timmermans & Tavory, 2012; Welch et al., 2011), my analysis reveals how boundary spanning by both acquirer and acquired-firm managers facilitated subordinate—leader trust development. I had found puzzling the apparent mismatch between theory-led expectations (complexity of integrating domestic vs. cross-border acquisitions) and interview narratives. Post-acquisition integration had been relatively smooth in both cases except the domestic M&A's first year, when it had been “*absolute chaos*” and “*very stressed and a challenging environment for all the people*”. How did integration uncertainty and cultural differences dissipate? Moreover, other similar mergers in Malaysia had involved “*a lot of infighting... intensified lobbying [and] backstabbing*”. Abduction led to “*a re-description or re-contextualization of the phenomenon*” (Welch et al., 2011, p. 748).

The systematic analysis revealed boundary spanning behavior by acquirer and acquired-firm senior and middle managers. This indicates the widening locus of M&A leadership. The manager's *relating, scouting, persuading* and *empowering* behaviors (Druskat & Wheeler, 2003) spanned *horizontal, vertical, stakeholder, demographic* and *geographical* boundaries (Palus et al., 2013), and encompassed cultural differences at national (between-country), intra-national (within-country), organizational and functional levels (Teerikangas & Véry, 2006). Boundary spanning overcame the ‘us and them’ mentality

between acquirer/acquired-firm subordinates and acquired-firm/acquirer leaders by reducing uncertainty and cultural differences, thus enabling the development of trust. Thus, I posit that boundary spanning mitigates uncertainty and cultural differences during post-acquisition integration.

This paper makes two other contributions to M&A scholarship and offers managerial insights for more successful post-acquisition integration. First, it extends the role of boundary spanning in M&As, beyond the pre-M&A negotiation phase (Lander & Kooning, 2013) to post-acquisition integration. This complements the process perspective (Jemison & Sitkin, 1986) and elucidates on the temporality of integrative actions (Birkinshaw et al., 2000; Froese & Goeritz, 2007; Teerikangas & Laamanen, 2014) from the perspective of South—South M&As. Second, it contributes to the literature on the complexities of multilingual societies in M&As (Cuypers et al., 2015; Dow et al., 2016; Kroon et al., 2015). The domestic M&A was unable to establish a *lingua franca* for all personnel despite the possibility of speaking in two languages (English and the national language) at meetings. This demonstrates that when intra-national culture differences are taken into consideration, integrating domestic rather than cross-border M&As can be more challenging (Véry et al., 1996; 1997).

LITERATURE REVIEW

Subordinate—leader trust and M&As

The paper adopts the widely quoted definition of trust from Rousseau et al. (1998), as “*a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another*” (p. 395). This definition captures two essential concepts: positive expectations of trustworthiness, including beliefs and perceptions of being able to rely on the trustee; and, willingness to accept vulnerability or a suspension of

uncertainty (Colquitt et al., 2007; Ferrin et al., 2007). In M&As individual trust can be directed at: a leader, subordinate, or between peers; a group including top management team (TMT) and headquarters (HQ); and, an organization, e.g., during M&A negotiations (Currall & Inkpen, 2002). Interpersonal trust refers to trust between individuals.

In one of the most influential trust models (Burke et al., 2007; Lewicki et al., 2006), Mayer et al. (1995) proposes three main characteristics for trusting work relationships. *Ability* refers to the trustee's skills and domain-specific competence. *Benevolence* represents the trustor's belief that the trustee wants to “do good to the trustor” (p. 718). *Integrity* refers to the perception that the trustee “adheres to a set of principles that the trustor finds acceptable” (p. 719). These trust antecedents juxtapose with the trust constructs introduced by McAllister (1995): *cognition-based trust* based on rational information on the trustee's competence, reliability and credibility; and, *affect-based trust* which refers to an emotional attachment or concern for the other party's interests and welfare. Cognition-based trust precedes affect-based trust in organizations (McAllister, 1995; Rousseau et al., 1998), and increases job satisfaction and performance (Yang & Mossholder, 2010).

Studies of subordinate—leader trust in the context of M&As emphasize subordinate trust in leaders and emerging economies are still relatively rare (Kwok & Meschi, 2017; Stahl et al., 2012). Trust between subordinates and leaders is not necessarily mutual or reciprocal (Brower et al., 2000; Korsgaard et al., 2015; Schoorman et al., 2007). Their antecedents differ. Leaders emphasize the subordinate's receptivity, availability, and discreteness; whereas, subordinates emphasize the leader's availability, competence, discreteness, integrity, and openness (Brower et al., 2009). This asymmetry may lead to longer-term implications on trust dynamics and post-acquisition integration.

Boundaries, cultural differences, boundary spanning and M&As

Boundaries separate an organization's internal and external environments. Boundaries exist within organizations (Palus et al., 2013; Schotter et al., 2017). Managers often face five types of boundaries: horizontal, vertical, stakeholder, demographic, and geographic (Palus et al., 2013). *Horizontal boundaries* separate functions and units by specialized expertise, and include functional, occupational and professional culture differences. During post-acquisition integration, horizontal boundaries often stem from organizational culture differences (pre-M&A legacies). *Vertical boundaries* are found across hierarchical levels and define title, rank and power. *Stakeholder boundaries* refer to shareholders, Boards of Directors, customers, partners, governments, and other communities. Stakeholder boundaries can overlap with organizational culture differences in M&As, and with national cultural differences in cross-border M&As. *Demographic boundaries* separate people by gender, age, ethnicity, religion, political ideology, etc., and include within-country cultural differences. *Geographic boundaries* are defined by physical location including countries, regions and East/West, and include national and regional culture differences. Boundaries are linked to identities (i.e., who we are and how we define ourselves; *ibid.*). Identity has attracted the attention of M&A researchers (Clark et al., 2010; Drori et al., 2013; Maguire & Phillips, 2008).

Aldrich and Herker (1977) describe boundary spanning in organizations in terms of information processing – to selectively interpret, filter, summarize, and facilitate the transmission of information; in other words “*uncertainty absorption*” (p. 219). More recently, Schotter et al. (2017) offers a multidimensional definition of boundary spanning, as “*a set of communication and coordination activities performed by individuals within an organization and between organizations to integrate activities across multiple cultural, institutional and organizational contexts*” (p. 404). In bridging and mediating across one or multiple contexts, boundary spanners overcome the ‘us and them’ mentality, thus allowing trust to develop (Schotter et al., 2017; Yip et al., 2008).

Boundary spanners can perform a specific function or responsibility such as public relations, union representation, acquiring/disposing resources and relationship management (Aldrich & Herker, 1977), or improvise his/her actions to get the job done (Yagi & Kleinberg, 2011). Boundary spanning contexts include expatriates (Au & Fukuda, 2002), bicultural managers (Yagi & Kleinberg, 2011), and global vendor-client partnerships (Søderberg & Romani, 2017).

In M&As, Lander and Kooning (2013) studied the Air France—KLM merger where chief negotiators acted as “*boundary role persons*” (Currall & Judge, 1995), enabling inter-organizational collaboration and trust. This contrasts with Drori et al.’s (2013) analysis into the process of boundary creation/re-creation in shaping the post-merger identity of an organization, and allowing managers and personnel to maintain key aspects of their previous identities. Anecdotal evidence suggests that leaders engage in boundary spanning during post-acquisition integration, for example, in the Lenovo—IBM merger (Stahl & Köster, 2013; Yip et al., 2008).

Outstanding boundary spanning leaders constantly engage in internal (team) and external (organization) oriented initiatives for their teams (Druskat & Wheeler, 2003). From studying the interactions between external leaders and their team members and managers in a large manufacturing firm, Druskat and Wheeler inductively categorized eleven boundary spanning behavior into four functional clusters. Table 1 summarizes this typology.

INSERT TABLE 1 ABOUT HERE

RESEARCH METHODS AND DATA

Empirical design and context

This research applies comparative case-study research and focuses on trust development in new subordinate—leader relationships arising from M&As in multicultural emerging economies. Case study research is particularly suited for in-depth probing into complex concepts such as trust and culture, which quantitative approaches cannot easily reveal (Yin, 2014). I compare a domestic and a cross-border acquisition from Malaysia’s financial services industry.

Malaysia is multiethnic, multifait, and multilingual. There are three main ethnic groups (*Bumiputra*—comprising Malay and other indigenous groups—63%, Chinese 25%, and Indian 7%), and four main religions (Muslim 61%, Buddhist 20%, Christian 9%, Hindu 6%; Malaysian Department of Statistics, 2010). Generally the Malays are Muslims, the Chinese are Buddhists or Christians, and the Indians are Hindus, Muslims or Christians. Most Malaysians are bilingual in *Bahasa Malaysia* and English, the national and business languages, but many are trilingual (in Chinese or Indian languages) or quadrilingual (Fontaine & Richardson, 2003).

The financial services industry was selected to control for *environmental variation* and a *transparently observable* phenomenon of interest (Eisenhardt, 1989). The Malaysian financial industry comprises banking intermediaries, insurance firms and capital market intermediaries (IMF, 2014). As Malaysia’s seventh largest sector, it accounts for 4.5% of nominal GDP (IHS, 2016) and has undergone substantial consolidation and rationalization subsequent to the 1997-1998 Asian financial crisis (IMF, 2014). In 2015, the financial industry ranked fourth in terms of emerging economies’ M&A activity (Thomson Reuters, 2016) and accounted for 19% of global M&A volume (Bloomberg, 2016). Further, I had worked in the Malaysian financial services industry and am familiar with its characteristics.

Case selection and description

This paper compares a domestic M&A “DoeMez” versus a South African acquisition of a Malaysian firm “Cross”. Purposive sampling was applied during case selection and care was taken to match them on *contextual appropriateness* (Poulis et al., 2013; Yin, 2014). Given South Africa’s cultural diversity and history of apartheid, the two cases provide an intriguing comparison of cross-cultural trust between acquired-firm and acquirer personnel. In Malaysia, the Bumiputra have enjoyed special rights since 1971 including in employment, resulting in sensitive although peaceful ethnic relations (Bhopal & Rowley, 2005; Haque, 2003; IHS, 2016). South Africa introduced a comparable majority-favoring regime in 1998 to eliminate post-apartheid employment discrimination against the 91% black population (Thomas, 2002; Lee, 2015). Bumiputra and blacks are increasingly represented in high-level occupations, mainly in the public sector (Lee, 2015).

Cross is a Malaysian firm acquired by “SAF”, a South African multinational corporation with operations in approximately 40 emerging economies. DoeMez is a domestic acquisition of two sister firms (Mez1 and Mez2) which were then merged with two subsidiaries of the acquirer Doe to create DoeMez1 and DoeMez2. The acquirer and its subsidiaries are majority controlled by GLCs (IMF, 2014) and employ 80% Malay personnel, whereas the acquired firms were founded by an ethnic Chinese entrepreneur, had “*Chinaman entrepreneurial*” culture, and employed 80% ethnic Chinese personnel.ⁱⁱⁱ Table 2 summarizes the main features of the cases.

INSERT TABLE 2 ABOUT HERE

Both acquisitions were friendly deals, had similar motives (business expansion and scaling up), involved experienced acquirers, and were completed approximately two years prior to data collection. To gain access to the firms, personalized invitation letters were sent

to the CEOs of the acquired firms and their acquirers/parent firms, together with an offer to share my findings with them. The participating firms and informants were promised complete confidentiality and anonymity.

Data collection

The analysis was based mainly on 35 semi-structured interviews with TMT, senior and middle managers, and supplemented by 2 conference calls with dealmakers, participatory observations, and archival data.

To capture new acquired-firm/acquirer subordinate—acquirer/acquired-firm leader relationships arising from the M&A, I sought individuals who had reported to different managers pre- and post-M&A. The interviewees were selected by their firms—23 from DoeMez and 12 from Cross—and originated from the acquired firm, acquirer, or were ‘neutrals’ recruited during the focal M&As, as detailed in Table 3. The interviews lasted an hour on average, transpired face-to-face except for one (by conference call), and were recorded with permission and transcribed. All communication was in English except for local expressions sprinkled in some interviews.

INSERT TABLE 3 ABOUT HERE

The interview questions covered: organizational conditions around the time of the acquisition including the pre-acquisition mood at the individual’s firm and the impact of the acquisition on the participant; post-acquisition working relationships with his/her new direct manager and subordinates; and, interactions with the new TMT. An interview protocol was developed beforehand and refined through pilot interviews with 7 Malaysians who were either M&A legal advisors or professionals with M&A experience.

Due to practical constraints, the interviews were conducted in a tandem arrangement: DoeMez in mid-November 2016, then Cross in late November/mid-December 2016. At DoeMez especially, 23 interviews in 5 consecutive days left little time for reflection. However, since the interviews were held at the firms' premises, I was able to engage in informal conversations and observe the work environment and personnel interactions. Further, I participated in one of Cross's day-long workshops in December 2016 when the acquirer's values and culture were introduced. The workshop was facilitated by an external consultant and attended by approximately 100 Cross personnel, its TMT, and 2 senior executives from the acquirer's HQ.

Data analysis

My analysis applied abduction which is partly deductive (theory-driven) and partly inductive (data-driven) (Timmermans & Tavory, 2012; Welch et al., 2011). Abduction facilitates the discovery of new variables and relationships by moving back-and-forth between framework, data sources and analysis (Timmermans & Tavory, 2012). Abduction has been used in studies on boundary spanning (Søderberg & Romani, 2017; Yagi & Kleinberg, 2011), M&As (Monin et al., 2013; Reynolds & Teerikangas, 2015), and international business (Barron et al., 2017; Maitland & Sammartino, 2015).

Initially, I built individual case descriptions by triangulating the multiple sources of evidence (Graebner, 2009). Next, the interview transcripts were analyzed iteratively in groups: acquirer, acquired-firm and neutral managers; TMT and department heads vs. managers; and, subordinate—leader dyads where possible. For DoeMez's transcripts, within- and between-division analysis was also conducted since its integration involved three 'standards': one division followed Doe's practices, a second division followed Mez's practices, while the third division adopted a mix of both. Multiple examples of TMT and

manager boundary spanning were identified. Finally, I categorized the examples according to Druskat and Wheeler’s (2003) typology and identified the boundaries spanned—to reveal the intent or purpose behind each boundary spanning behavior, for clearer linkage to trust development.

FINDINGS

The post-acquisition integration approaches of DoeMez and Cross is described first, followed by the boundary spanning actions of the acquirer and acquired-firm managers and my interpretation of how this behavior facilitated subordinate—leader trust development.

Integration approaches

Cross’ integration by SAF corresponds with the *light-touch integration* approach (Liu & Woywode, 2013) of Asian acquirers (Kale et al., 2009; Liu & Woywode, 2013; Marchand, 2017). In DoeMez’s case, the integration approach resembles *symbiosis* (Haspeslagh & Jemison, 1991). Table 4 compares their integration approaches.

INSERT TABLE 4 ABOUT HERE

Boundary spanning behaviors

My analysis identified boundary spanning in the domestic and the cross-border acquisition cases, by TMT and managers of both the acquirers and acquired firms. The boundary spanning behaviors are described below according to Druskat and Wheeler’s (2003) clusters. Feedback on the behaviors is provided where possible. Horizontal, vertical, stakeholder, demographic, and geographic boundaries (Palus et al., 2013) were spanned, representing national, intra-national, organizational and functional culture differences. Tables 5 and 6

show boundary spanning examples from Cross and DoeMez, the boundaries and cultural differences spanned, and trust attributes.

INSERT TABLES 5 AND 6 ABOUT HERE

Cluster 1: Relating

Relating involves building relationships within the team and organization while showing social and political awareness. This first function of managerial boundary spanning includes a set of three behaviors: social and political awareness, building subordinate trust in leaders, and caring about subordinates.

Cross managers’ social and political awareness spanned all five boundaries and differences in national, organizational, functional and personal cultures (see Table 5). A senior manager enthused: *“[SAF are] totally different from shareholders who are American or British. They’re very respectful of local cultures and very keen on sharing their knowledge... They don’t dictate that they know better than we do, which is a total contrast to where I come from.”*

DoeMez manager’s social and political awareness spanned all boundaries, organizational culture differences and especially intra-national culture differences. A Mez leader said, *“I go the extra mile to make sure the [Doe] colleagues feel very welcome.”* Particular attention was paid to cater for *halal* food preferences at work, on business trips, annual dinners, and a company trip overseas. Chinese colleagues were reminded eat non-*halal* food outside the workplace. Personnel were instructed to speak in English and the national languages only during meetings, for everyone to understand. One senior manager commented, *“I heard some departments had [a language-related] problem, [like] immediate separation between [Doe and Mez people who] tend to not mingle [and] seldom talk...”*

There's quite a lot of staff in [X] Department who were from Chinese schools. Their main language... is Cantonese and Mandarin... Sometimes in meetings... it's an issue." Another manager, whose team spanned two locations, introduced a regular weekly conference call and persevered against Asian reticence to seek team members' negative feedback. Other examples are provided in Table 6.

In developing subordinate trust in leaders, Cross leaders showed transparency and willingness to span all boundaries, and national, intra-national and organizational culture differences. Group TMT visited Cross' offices four times in the first eighteen months from the acquisition announcement. Personnel were informed of SAF's intentions and future plans, which dispersed a lot of uncertainty. Managers received regular CEO and CFO performance updates to disseminate in their departments/units. In his first townhall with Cross personnel, the CEO presented his short-term goal and personal interest in being assigned to Malaysia. The CEO's trust-building approach is detailed in Table 5. DoeMez's leaders developed subordinate trust across intra-national and organizational culture differences. Like Cross, this was initiated from early post-acquisition integration and a personal approach was used sometimes (see Table 6).

Cross and DoeMez managers demonstrated their care for subordinates in numerous examples with noteworthy examples in Tables 5 and 6. Other caring behavior at DoeMez included a department head covering for subordinates who had exceeded their transaction limits, and a senior manager's insistence that the whole team leaves work by 6:30 pm. Subordinate—leader bonding at DoeMez and Cross transpired over coffee, drinks and personal chats. Two DoeMez senior managers also organized weekly/daily lunches and outings for within-team bonding.

Cluster 2: Scouting

Scouting involves seeking information within the organization to clarify the manager's understanding of team and organizational needs, and to solve problems. This second function of managerial boundary spanning includes a set of three behaviors: seeking information from managers, peers and specialists, diagnosing subordinate behavior, and investigating problems systematically.

Seeking information helped to span national, intra-national and organizational culture differences at both Cross and DoeMez, as evidenced from the examples pertaining to incoming expatriates and the expatriate CEO's efforts to develop sensitivity to Malaysian cultural nuances (Table 5), and solving a religion-related problem at DoeMez (Table 6).

Subordinate behavior diagnosis spanned mainly vertical boundaries and, organizational culture differences at Cross and intra-national cultural differences at DoeMez (Tables 5 and 6).

Cross and DoeMez managers investigated problems involving horizontal and vertical boundaries. At Cross, this was related to 'silos' where subordinates performed their functions with very little understanding of what happened in other areas of the business. Table 5 provides an example where this where intra-national and functional culture differences were involved. A DoeMez department manager recounted a similar problem when personnel who withhold information, while another manager mediated such a situation involving intra-national culture differences (Table 6).

Cluster 3: Persuading

Persuading involves managers seeking resources from within the organization to support their teams' needs, and influencing subordinates' priorities to support organizational objectives.

Successful persuasion enables a manager to align his/her team's objectives with

organizational objectives. The data reveals that DoeMez leaders influenced their subordinates more than Cross leaders.

In seeking organizational-level resources for their teams, Cross managers spanned mainly stakeholder boundaries with its two shareholders and Board of Directors. The CEO had monthly engagements and weekly video conferences with various people at HQ, while department managers had a dedicated support person at HQ (e.g., IT coordinator for the IT head, HR coordinator for the HR head). Cross managers were formally and informally linked with Group TMT, e.g., unit heads who also reported to the group's department heads, or the COO and his department manager who liaised regularly with the Group COO. The CEO also recognized the potential of Cross' minority shareholder and its deep local market knowledge (see Table 5). DoeMez managers spanned vertical and horizontal boundaries in seeking their leaders to intervene on critical occasions. Table 6 presents two examples including one with organizational and intra-national culture differences in the attitudes of certain subordinates.

In terms of influencing subordinates, Cross managers did so less than DoeMez managers, perhaps reflecting its light-touch integration approach (cf. DoeMez's symbiotic approach). One Cross senior manager said, "*[The TMT] don't bulldoze things. They will [talk to everybody] and see people's acceptance. When a few fellows don't accept, they will try to convince the persons.*" The TMT encouraged subordinates to span organizational and national culture differences by debating and differing in opinion from their leaders. For example: "*I am used to seriously being challenged at [HQ]... whereas here when I make statements, I must say 'You are allowed to disagree. Please disagree if you feel so, talk to me, tell me this is a wrong assumption or this is a wrong statement or whatever.'*" The TMT concurred that their people were respectful and uncomfortable with discord, reflecting their Asian culture. Nevertheless, two expatriates noted that subordinates, from watching the TMT challenge one another, began doing so themselves.

DoeMez managers influenced their subordinates at organizational- and team-levels through the organization's four core values which were enacted from the outset of the M&A. First, the core values shaped changes in culture and thought processes across the organization. As one dealmaker/leader explained, "*We initiated [culture change] by the new brand. We launched an idea behind that brand, these disciplines, this other culture we want to emulate... We started building new thought processes.*" Second, the core values guided managers to focus/refocus their teams. For example, one leader reminded his team, "*No, no, our core value is to collaborate. Guys, we need to collaborate...*" and "*We need to be entrepreneurial. That means we need to think how to solve the problem.*" The core values spanned organizational and intra-national culture differences as seen in the same manager's comment: "*Without the core values, everybody will define their own... I think without that, this merger would be a nightmare. I honestly tell you that.*"

Department heads influenced their subordinates to accept incoming members from the acquirer/acquired firm and fuse horizontal boundaries. One entire team was instructed to treat the newcomers well regardless of the circumstances and to refer back to the manager if any issue arose. Another manager instructed his unit heads similarly. Managers also emphasized the amount of time the two sides would spend together and the need for a pleasant work atmosphere. One subordinate remarked that human integration was "*very well-driven... We're all no longer ex-Mez or ex-Doe people, we're all DoeMez.*"

Cluster 4: Empowering

Empowering involves delegating authority to subordinates and coaching to improve subordinates' capabilities. This final function of managerial boundary spanning includes a set of three behaviors that span horizontal, vertical and demographic boundaries: delegating authority, flexible on team decisions, and coaching subordinates. My data reveals that the

most frequent empowering behavior was coaching subordinates, with some coaching actions implemented through the HR departments.

Delegating was observed in DoeMez and Cross. One DoeMez department head spanned organizational and intra-national culture differences through delegation: *“When I first took [the Doe people] in, they weren’t comfortable doing a lot of things... They weren’t given a lot of freedom in the old days... I found that a lot of them are quite capable... They did make a lot of mistakes and I do hold them accountable for it, but [no] penalties...”*

For one Cross expatriate, delegating authority overlaps with being flexible on team decisions behaviors: *“If [you] have to change approaches, then we change if it makes sense... [The initial approach is] not necessarily right. It’s only right if it makes sense to you also.”* The leader explained, *“They’ll say something works like this. Then I’ll ask ‘Why?’... ‘Do you think it’s right?’... I’m starting to ask questions [but] not telling them what to do.”*

I did not observe any flexible on team decisions behavior in DoeMez.

Subordinate coaching, the most prominent behavior in this cluster, was implemented both through the HR departments and independently. First, HR mobilized and trained managers to be relays: Cross managers were coached to coach their subordinates and thus support them more effectively, while DoeMez senior managers were trained to counsel their teams on how to deal with a different organizational culture, new processes and new workflows. If each HR department had provided support to personnel on an organizational level, more resources would have been required (e.g., more HR personnel, outsourcing). One Cross expatriate introduced a 360-degree feedback system through the HR department, where an individual’s leader, peers, and direct subordinates provide confidential and anonymous feedback on *“This is what I’d like to see more of you, in...”*

Second, as a personal initiative, a Cross expatriate coached department managers who had been working in silos on the impact of this behavior on team outcome, and how to deliver

as a team. At DoeMez, several managers gave indirect answers to subordinates' questions, for example, a department head: *"I say 'I want to hear from you first. Come back to me, say, in 2-3 hours' time and see what you have.'... I put pressure to them to think through properly... Otherwise they will never learn. Always remember, don't give the man fish all the time. You must teach him how to fish."*

DISCUSSION

The objective of this study was to explore how trust develops in new subordinate—leader relationships in the M&A nucleus, amidst the uncertainty and cultural differences of integration. Three bodies of literature are connected to understand the trust development process: M&A, boundary spanning, and trust. The paper's main contribution is to posit that boundary spanning mitigates the uncertainty and cultural differences arising from post-acquisition integration. Managerial boundary spanning overcame the 'us and them' mentality between acquirer/acquired-firm subordinates and acquired-firm/acquirer leaders, reduced uncertainty and cultural differences, and thus catalyzed subordinate—leader trust development. Focusing on a domestic and a cross-border acquisition of Malaysian firms, my systematic analysis reveals that both acquirer and acquired-firm managers engaged in boundary spanning behavior. The managers ranged from TMT, integration managers (Teerikangas et al., 2011) and middle managers in diverse functions. This indicates the widening locus of M&A leadership (Graebner, 2004; Junni & Sarala, 2014) and suggests more widespread managerial influence for smoother and more successful integration.

Second, this research extends the ambit of managerial boundary spanning beyond the pre-M&A negotiation phase (Lander & Kooning, 2013) to post-acquisition integration, and adds evidence that effective leaders engage in boundary spanning behavior (Druskat & Wheeler, 2003). This paper also complements the process perspective of M&As (Jemison & Sitkin, 1986) and elucidates on the temporality of integrative actions. Birkinshaw et al.'s

(2000) influential study argues for a two-phased implementation of effective integration. First, human integration is emphasized while the acquirer and acquired units achieve acceptable performance, and then revisiting task integration so that the existing success of human integration facilitates task integration across units. Other researchers suggest closer interrelation between these elements of integration. Froese and Goeritz (2007) find that human integration and organizational integration occur simultaneously, from the beginning of post-acquisition integration. Teerikangas and Laamanen (2014) observe that cultural integration begins once structural integration is underway, as long as both are implemented in complementarity. In this study, DoeMez implemented extensive organizational integration and human integration rapidly, similar to the Renault-Nissan acquisition (Froese & Goeritz, 2007). In contrast, SAF selectively implemented Cross' organizational integration over time and to a lesser extent, with human integration from the third year post-acquisition. Both deals are considered successful, as are SAF's other similarly integrated South—South acquisitions.

Third, the study's focus on South—South acquisitions extends M&A scholarship which is heavily focused on acquisitions to and from developed economies (Lebedev et al., 2015), and contributes to the literature on the complexities of multilingual societies in M&As (Cuypers et al., 2015; Dow et al., 2016; Kroon et al., 2015). DoeMez exposes that domestic rather than cross-border M&As can be more challenging to integrate (Véry et al., 1996; 1997), especially when the intra-national culture differences of a multicultural emerging economy are considered. The language diversity among Malaysian personnel was more problematic for DoeMez than Cross and there was no *lingua franca* for all DoeMez personnel. Malaysian personnel's proficiency in English varies significantly, particularly in the younger generation (Darmi & Albion, 2013; 2014). Some ethnic Chinese personnel were not sufficiently fluent in English or Bahasa, despite the possibility of using both languages in meetings. Malaysian Chinese can be differentiated by their schooling: those with Chinese-

school education relate strongly to traditional Chinese values, while those with non-Chinese-school education identify weakly with such values (Fontaine & Richardson, 2003; Ong, 1993). This paradoxical finding draws attention to the intricacy of cultural challenges in M&As (Teerikangas & Véry, 2006), while extending our knowledge of the differences between integrating domestic and cross-border acquisitions (Bris & Cabolis, 2008; Gregory & O'Donohoe, 2014; Reynolds & Teerikangas, 2015).

More broadly, my research adds to the literature on multilingual organizations including multinational corporations (Bordia & Bordia, 2015; Brannen et al., 2014; Feely & Harzing, 2003), and the conversation that “context matters”. The Malaysian context diversifies the geographic focus of emerging market studies away from China (Jormanainen & Koveshnikov, 2012) and offers tentative insights to advance Western-developed theories in strategy and management (Jormanainen & Koveshnikov, 2012; Wright et al., 2005; Xu & Meyer, 2013). The findings support the argument that national cultures are more heterogeneous than homogeneous (Shenkar, 2001; Taras et al., 2016; Tung, 2009; Tung & Verbeke, 2010).

Fourth, the paper contributes to trust scholarship by diversifying from its reliance (Fulmer & Gelfand, 2012) on WEIRD samples (Western, educated, industrialized, rich, and democratic; Henrich et al., 2010). While Mayer et al.'s (1995) model has become one of the most well-known and influential trust models, it remains unclear whether each component of trustworthiness (ability, benevolence, integrity) is equally as important in trust outcomes (Burke et al., 2007). My analysis of the linkage between boundary spanning and subordinate—leader trust shows that benevolence and integrity are more prominent than ability, for facilitating Malaysian subordinate—leader trust in M&As. This complements Poon's (2013) findings on the significance of benevolence for Malaysian personnel to trust their leaders. The precedence of affect-based trust over cognition-based trust is consistent

with other emerging economies where personal relationships are important, e.g., China (Chua et al., 2009; Jiang et al., 2011), Singapore and Turkey (Tan & Chee, 2005; Wasti et al., 2007). The importance of building personal relationships was evident in DoeMez and Cross where informal social activities facilitated bonding between subordinates, peers and leaders.

Managerial implications

This research shows that a wider leadership can influence and smoothen M&A processes, outcomes and cultural differences. Regardless of their hierarchical positions, managers from both the acquirer and acquired firm can contribute to reducing post-acquisition uncertainty among personnel, thereby facilitating subordinate—leader trust during integration. The managers should be empowered to play a more central role in human integration from early post-acquisition integration. For example, through awareness-building workshops on where boundaries and cultural differences may lie, with illustrative boundary spanning behaviors. Moreover, since boundary spanning behaviors are often improvised by managers in doing their jobs (Yagi & Kleinberg, 2011), integration and HR managers should develop ways to formalize and share such experiences with other managers in the organization so that larger scale benefits can be drawn.

This research highlights how language diversity can be an issue not only cross-border acquisitions but in domestic acquisitions in a multicultural society. Boundary spanning behaviors to address this divide includes seeking colleagues to translate or summarize the essential points, and cascading information downwards through department/unit managers so that subordinates have a more accessible point of reference for clarification. In the longer term, personnel should have training and opportunities to overcome their “*language anxiety*” (Darmi & Albion, 2013; 2014).

Limitations and future research directions

The study's findings should be interpreted with caution. Despite exposing the positive effects of managerial boundary spanning in post-acquisition integration, further research is required to ascertain the conditions under which boundary spanning influences successful integration. First, the analysis compares two M&A case studies within a single industry in Malaysia. Malaysia falls under Schwartz's (2006) South Asia cluster of cultural value orientations, which characterize hierarchical and collective societies. Future studies should examine M&As in the same cluster (e.g., Indonesia, India), in other multicultural emerging economies (e.g., Turkey, Nigeria, Chile), as well as vertical acquisitions and acquisitions of financially-troubled firms. Moreover, the integration approach adopted may have a bearing on the extent of boundary spanning. It would be useful to study not only other M&As applying symbiosis and light-touch integration like DoEmez and Cross, but also preservation and absorption (Haspeslagh & Jemison, 1991). Second, the managerial boundary spanning behaviors may be related to the individual's job function, level of experience, seniority in the organization, and previous acquisition experience. To analyze this requires a larger sample. Third, the study relied mostly on interview data to analyze trust development retrospectively. Despite my efforts to reduce social desirability bias, some interviewees may not have been entirely forthcoming since they were selected by their firms. Ethnographic research or a longitudinal study would be more robust.

Looking beyond, it would be fruitful to enquire into how boundary spanning affects trust between peers during post-acquisition integration, and trust between the acquired firm and HQ personnel. The linkage between boundary spanning, interpersonal trust and identity formation is another interesting research area. I look forward to more active scholarly pursuit along this path.

ENDNOTES

ⁱ The terms “M&As” and “acquisitions” are used interchangeably in this paper, as in extant literature.

ⁱⁱ Malaysian GLCs are usually Malay-owned, controlled and managed, with substantial ethnic Malay managers and personnel (Lee, 2016). GLC shareholding in Malaysia’s financial industry is high: four of eight banking groups have direct and indirect government shareholding of 40%-60% (IMF, 2014).

ⁱⁱⁱ This paper refers to Malaysians of Chinese ancestry as ethnic Chinese/Malaysian Chinese to distinguish them from Chinese who are nationals of China; idem for Malaysians of Indian descent.

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TABLE 1: Typology of boundary spanning actions
(adapted from Druskat & Wheeler, 2003)

| Function | Behavior | Examples |
|------------|---|---|
| Relating | Social and political awareness | Building rapport by: understanding the concerns and interests of specific groups, appreciating power relationships, politicking |
| | Build subordinate trust in leaders | Showing that the leader is reliable, fair and honest and focused on the team's best interests |
| | Care about subordinates | Caring actions towards a team or individual |
| Scouting | Seek information from managers, peers and specialists at organizational-level | Making the effort to go beyond the boundary spanner's knowledge or understanding by referring to someone in the organization |
| | Diagnose subordinate behavior | Analyzing a subordinate or team's verbal or nonverbal behavior to understand their needs |
| | Investigate problems systematically | Solving a problem by breaking it down, systematically tracing the cause of a problem |
| Persuading | Obtain organizational support for their teams | Persuading external groups so that they assist or support the needs of the leader's teams |
| | Influence subordinates | Encouraging subordinates to make choices that support team or organizational goals |
| Empowering | Delegate authority | Giving responsibility, control or authority to subordinates |
| | Flexible on team decisions | When the leader is open-minded about how subordinates fulfil a role, assignment, etc. |
| | Coach subordinates | Developing subordinates' knowledge and skills |

TABLE 2: The research cases

| | Cross | DoeMez |
|------------------------------------|--|---|
| Acquisition type | Cross-border | Domestic |
| Acquirer, HQ | SAF, South Africa | Doe, Malaysia |
| Acquirer profile | Multinational, over 10,000 personnel | GLC, 4,000 personnel, 80% ethnic Malay |
| Acquired firm(s); No. of personnel | Cross; 520 | Mez1 and Mez2*; 500 each, 80% ethnic Chinese |
| Financial strength | | |
| Acquirer | High | Medium |
| Acquired firm(s) | Low—medium | Medium—high |
| Acquired stake | 51% | Mez1—100%; Mez2—70% |
| Miscellaneous | One of Cross' divisions was disposed post-acquisition, to comply with Malaysia's foreign ownership regulations | Doe subsidiaries (Doe1 and Doe2) were merged with Mez1 and Mez2, creating DoeMez1 and DoeMez2 |

*Sister firms founded by an ethnic Chinese entrepreneur

TABLE 3: Dealmakers and interviewees

| Position / Firm-of-origin | Cross | DoeMez |
|---------------------------|----------------|----------------|
| <i>Dealmakers</i> | 2 | 3 |
| Acquirer | 2 | 2 ^a |
| Acquired firm | - | 1 |
| <i>Interviewees</i> | 12 | 23 |
| TMT | | |
| Acquirer | 4 ^b | 2 ^c |
| Acquired firm | - | 3 |
| Neutral | - | 1 |
| Department heads | | |
| Acquirer | - | 3 |
| Acquired firm | 4 | 2 |
| Neutral | 3 | 1 |
| Other managers | | |
| Acquirer | - | 5 |
| Acquired firm | 1 | 4 |
| Neutral | - | 2 |

^a Includes a TMT.

^b Non-Malaysians.

^c Includes a non-Malaysian.

TABLE 4: The integration approaches

| | Cross | DoeMez |
|-----------------------------|---|---|
| Integration and controls | Financial controls; HR, operations and processes were improved or cleaned up | Integration of business activities, operations, policies, procedures and processes. 3 offices were converged into 2 |
| Corporate rebranding | Former shareholder's name was removed; Cross endorsed as " <i>A member of the SAF Group</i> " | Launched "DoeMez" (new name, logo, identity, image); new corporate HQ |
| TMT | 4 expatriates from SAF | Acquirer, acquired firm and neutral TMT |
| Cultural integration | Initiated during third year post-acquisition | None |
| Integration approach; Speed | Light-touch integration; Slow | Symbiosis; Fast |

TABLE 5: Cross boundary spanning examples
(HOD = head of department; SM = senior manager)

| | Boundary | Cultural difference | Trust attribute | Selective quotes |
|--------------------------------|-----------------------------------|--------------------------|---------------------------------|---|
| Relating behaviors | | | | |
| Social and political awareness | Vertical, horizontal, stakeholder | National, organizational | Benevolence, integrity, ability | [P]art of my job is... to cushion off all [issues and]... complement my staff... so everyone works in harmony [with the boss] or SAF... I'll do a lot of [consulting], very frequent advice to my staff that this is how [the key people] work. (HOD) |
| | Vertical, stakeholder, geographic | National, organizational | Ability, integrity, benevolence | [The CFO] is trying to [develop more informal interaction with HQ] through conf calls, updates... We always have this difficulty to align [their] understanding of certain topics because their environment, perspective, legal and operating environments are different. (SM) |
| | Horizontal, vertical | Personal, functional | Benevolence, integrity, ability | Introverts... tend to be more comfortable on email. Very often [after a] meeting,... I'll email [a summary]... Extroverts are normally on their feet and more direct [but] you have IT people, [actuaries and accountants] who are normally introverts. (Expatriate) |
| Build subordinate trust | Vertical, horizontal, demographic | Intra-national, national | Benevolence, integrity, ability | You will build trust easier with your senior people than the rest of the company [because of more frequent face-to-face interaction]. The rest of the company will be my communications... On [festive occasions] I send a nice message... You must do those things repeatedly, then people will see 'He genuinely means he embraces diversity, he doesn't favor any specific groups.' When we have a Divali celebration, I dress like an Indian and those types of things. People like that. They start thinking 'Yeah, [he] can walk in my shoes, I can trust him.' (CEO) |
| Care about subordinates | Vertical | Personal | Benevolence, integrity | People must come and tell me [when problems arise]... then try to fix it themselves... I concentrate on the fixing, not on the blame. (Expatriate) |

| | Boundary | Cultural difference | Trust attribute | Selective quotes |
|--|--|--|---------------------------------|--|
| | Vertical, horizontal | Organizational | Benevolence, integrity | [TMT is] looking at our environment... [and] even say we need to update our toilets,... carpet,... paint... They're interested in us, not only in the Boardroom or CEO's room... I feel so comfortable... I feel that they care for us... Most of us feel that they're here to stay. (HOD, over 30 years' seniority) |
| Scouting behaviors | | | | |
| Seek information within the organization | Vertical, stakeholder, geographic, demographic | National, organizational | Ability, benevolence, integrity | Before [the new expatriates] come in... I liaise... with [the HQ coordinator]... 'What kind of personality is that person?'... One... person was abrupt,... too open for Asian culture. I tried to temper that. (HR Head) |
| | Vertical, horizontal, demographic | National, intra-national, organizational | Benevolence, integrity | I would draft a speech and say to my secretary—she's a Muslim—and my HR person [who] is Chinese, 'Here is my speech. Please look at it. Am I using the wrong words? Have I said the wrong thing?'... After [a] presentation I often [ask] the HR person, 'How did that go down? What did I do wrong?' (CEO) |
| Diagnose subordinate behavior | Vertical | Organizational | Ability, benevolence | I get to have a culture of very reluctant people that don't want things outside of their job description. They are scared to take chances, they all talk about zero tolerance for all non-performance, and if somebody makes a small mistake they must get a written warning. (CEO) |
| Investigate problems systematically | Horizontal, vertical, demographic | Intra-national, functional | Ability, benevolence | The accountants and actuaries are [mainly] Chinese, the Operations people are [mainly] Malay, and... the salespeople [are mainly] Indian. You get silos developing... They do things more similarly. (Expatriate) |
| Persuading behaviors | | | | |
| Obtain organizational support for teams | Stakeholder, vertical | Organizational | Ability, integrity | In my first month here, I had more meetings with [the minority shareholder's] execs than my predecessor in the past 3 years... |

| | Boundary | Cultural difference | Trust attribute | Selective quotes |
|-----------------------------|-----------------------------------|--------------------------|---------------------------------|--|
| | | | | [They] have a lot to offer... It is expertise that we haven't used in the past. I sent my team [to see them] in the second month. (CEO) |
| Influence subordinates | Vertical | Organizational, national | Benevolence, integrity | I am used to seriously being challenged at [HQ]... whereas here when I make statements, I must say 'You are allowed to disagree. Please disagree if you feel so, talk to me, tell me this is a wrong assumption or this is a wrong statement or whatever.' (CEO) |
| Empowering behaviors | | | | |
| Delegate authority | Vertical, horizontal, demographic | Organizational, national | Ability, benevolence, integrity | If [you] have to change approaches, then we change if it makes sense... [The initial approach is] not necessarily right. It's only right if it makes sense to you also. (Expatriate) |
| Flexible on team decisions | Vertical, horizontal, demographic | National, organizational | Ability, benevolence, integrity | They'll say something works like this. Then I'll ask 'Why?'... 'Do you think it's right?'... I'm starting to ask questions [but] not telling them what to do. (Expatriate) |
| Coach subordinates | Vertical, horizontal | Organizational | Benevolence, integrity | I've just introduced a 360-degree feedback system with the HR... Tell your colleague 'this is what I'd like to see more of you, in...'. A lot of [people just]... need to understand [how they] can do better. (Expatriate) |

TABLE 6: DoeMez boundary spanning examples
(HOD = head of department; SM = senior manager)

| | Boundary | Cultural difference | Trust attribute | Illustrative quotes |
|--------------------------------|--|--------------------------------|---------------------------------|---|
| Relating behaviors | | | | |
| Social and political awareness | Horizontal, vertical | Organizational, intra-national | Benevolence, integrity | It's not for the acquiring company to reach out to us. Because I'm the acquirer, I felt it was important for me to reach out to them. (Leader) |
| | Vertical, stakeholder | Organizational, intra-national | Benevolence, integrity | People no longer should have that notion of 'I used to manage client A, it's my client'. Today, client A is the firm's clients and is being serviced by a team of people from Doe and Mez... By doing that we avoided a fight, people trying to fight for accounts, for clients, because naturally people want the bigger accounts. (HOD) |
| Build subordinate trust | Vertical, horizontal, demographic, stakeholder | Organizational, intra-national | Benevolence, integrity, ability | I spent a lot of time trying to tell my acquiree employees that... certain aspects of [their] perception [of our corporate culture]... may not be the reality... Obviously we are a government-linked company [with] Malay mentality and... mindset... What can I dispel? ... I can certainly dispel that the management in Doe does not have interference of any sort from the government shareholding that we have, that we are not a racial-biased entity, that we are predominantly merit-based. (Leader) |
| | Vertical, horizontal, demographic | Organizational, intra-national | Benevolence, integrity, ability | I take pains to explain... and remind [my team] what we're going through... [Doe people] have to learn [Mez's] system and now 'I have to lead you.' (DoeMez HOD) |
| Care about subordinates | Vertical | Personal | Benevolence, integrity | [The big boss]... was really pushing for [the seller] to accept Doe's bid... because he knows that [if another bidder] were to acquire us, then most of the staff will be jobless. (DoeMez HOD) |
| Scouting behaviors | | | | |

| | Boundary | Cultural difference | Trust attribute | Illustrative quotes |
|--|-----------------------------------|--------------------------------|------------------------|--|
| Seek information within the organization | Horizontal, vertical, demographic | Intra-national | Benevolence, integrity | I called my Muslim [senior management] colleagues together and we brainstormed [on the religion-related problem]... I said 'These are the issues that we have. How should we manage it?' ... [The Head of Doe] said, 'Let me talk to [the Muslim staff].' ... He helped ease the whole process. (Leader) |
| Diagnose subordinate behavior | Vertical, demographic | Intra-national | Ability, benevolence | [Some of my people], they are very hierarchical 'I'm the boss, you guys take instructions' ... [Other people] are waiting for instructions [or] order-takers. [Another] set of people [are] cookie-cutters,... only can do one thing... [and no more]. (HOD) |
| Investigate problems systematically | Horizontal, vertical | | Ability, benevolence | You have pockets of people who... hold [the] organization to ransom. They know but... don't volunteer the information. For example, 'do we need to do this?' They will say yes. But they never tell you the consequence... I said [to my team], 'You need to probe them further to make sure we don't [miss any details].' (HOD) |
| | Horizontal | Intra-national | Ability, benevolence | Two subordinates doing the same job and withholding information from each other: The Chinese guy [from Mez] asked the Malay guy [from Doe] 'Have you done this...?' This Malay guy [felt] 'Why do I have to report to you?' ... Then same thing happened [the other way around]. (Manager) |
| Persuading behaviors | | | | |
| Obtain organizational support for teams | Vertical, horizontal | | Ability, integrity | I always brief [the Group COO] and give her heads-up how to fix the problem... She gave me a lot of air-cover. (HOD) |
| | Vertical, horizontal, demographic | Organizational, intra-national | Benevolence, integrity | It's [the] different [corporate] culture [and personal attitude] that I have a problem [with in some of my team]... I discussed it with [my boss]... I think he did talk to the team. Things are better now. (SM) |
| Influence subordinates | Horizontal, vertical, | Organizational, intra-national | Integrity, benevolence | We initiated [culture change] by the new brand. We launched an idea behind that brand, these disciplines, this other culture we want |

| | Boundary | Cultural difference | Trust attribute | Illustrative quotes |
|-----------------------------|-----------------------------------|--------------------------------|---------------------------------|---|
| | demographic | | | to emulate... We started building new thought processes. (Leader) |
| | Horizontal, vertical, demographic | Organizational, intra-national | Integrity, benevolence | You have me telling the team that 'you better treat [the Mez] people nicely; I don't care what they do to you, you just treat them nicely. Any [issues], you just come to me.' (HOD) |
| Empowering behaviors | | | | |
| Delegate authority | Vertical, horizontal, demographic | Organizational, intra-national | Ability, benevolence, integrity | When I first took [them] in, they weren't comfortable doing a lot of things... They weren't given a lot of freedom in the old days... I found that a lot of them are quite capable... They did make a lot of mistakes and I do hold them accountable for it, but [no] penalties...' (HOD) |
| Flexible on team decisions | | | | Nil |
| Coach subordinates | Vertical, horizontal | | Benevolence, integrity, ability | I say 'I want to hear from you first. Come back to me, say, in 2-3 hours' time and see what you have.'... I put pressure to them to think through properly... Otherwise they will never learn. Always remember, don't give the man fish all the time. You must teach him how to fish. (HOD) |
| | Vertical, horizontal | Organizational | Ability, benevolence, integrity | HR Department... arranged training on mergers and acquisitions, post-mergers, and things like that for the senior management team. Then we will go back to our own department and advise or counsel [our teams] on that different culture... the new flow, new process, new way of doing things. (SM) |