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Muriel Durand, René Díaz-Pichardo

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The role of cultural friction in the sociocultural integration micro-mechanisms in cross-border mergers and acquisitions

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ABSTRACT

This research explores the sociocultural micro-mechanisms driving the relationship between post-merger identification and organizational citizenship behavior which has been reiteratively observed but not explained in the mergers-and-acquisitions literature. Adopting a multi-paradigmatic research approach and social identity theory, we introduce interpersonal trust and cultural friction as a microfounded variable to address this research gap. Structural equation modeling on survey data from managers having experienced at least one cross-border merger and acquisition (CBM&A) offers evidence of a full mediation effect of interpersonal trust in this well-established relationship. Counterintuitively, cultural friction shows positive impacts. This study contributes to the field of CBM&As by demonstrating the usefulness of cultural friction as a microfounded variable in explaining identity formation and work-related attitudinal outcomes.

Keywords: Cross-border mergers and acquisitions, post-merger integration, cultural friction, organizational citizenship behavior, post-merger identification, interpersonal trust.

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Muriel Durand (corresponding author)

Métis Lab, EM Normandie Business School
30-32 rue Henri Barbusse, 92110 Clichy, France
mdurand@em-normandie.fr

René Díaz-Pichardo

ICN Business School, CEREFIGE, Université de Lorraine,
86 rue Sergent Blandan, 54003 Nancy, France
renediazp@hotmail.com

The role of cultural friction in the sociocultural integration micro-mechanisms in cross-border mergers and acquisitions

Abstract

This research explores the sociocultural micro-mechanisms driving the relationship between post-merger identification and organizational citizenship behavior which has been reiteratively observed but not explained in the mergers-and-acquisitions literature. Adopting a multi-paradigmatic research approach and social identity theory, we introduce interpersonal trust and cultural friction as a microfounded variable to address this research gap. Structural equation modeling on survey data from managers having experienced at least one cross-border merger and acquisition (CBM&A) offers evidence of a full mediation effect of interpersonal trust in this well-established relationship. Counterintuitively, cultural friction shows positive impacts. This study contributes to the field of CBM&As by demonstrating the usefulness of cultural friction as a microfounded variable in explaining identity formation and work-related attitudinal outcomes.

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Le rôle de la friction culturelle dans les micro-mécanismes d'intégration socioculturelle dans les fusions et acquisitions internationales

Résumé

Cette recherche examine les micro-mécanismes socioculturels reliant l'identification post-fusion au comportement organisationnel citoyen, une relation souvent observée mais peu expliquée dans la littérature sur les fusions-acquisitions. Adoptant une approche de recherche multiparadigmatique et la théorie de l'identité sociale, la confiance interpersonnelle et la friction culturelle sont introduites comme variables-clés. Différents modèles d'équations structurelles sont testés avec des données d'enquête provenant de managers ayant vécu au moins une fusion-acquisition internationale, et révèlent une médiation totale de la confiance interpersonnelle dans cette relation. Contre-intuitivement, la friction culturelle montre des effets positifs. Cette étude contribue au champ des fusions-acquisitions internationales en démontrant l'utilité de la friction culturelle comme variable microfondée pour expliquer la formation de l'identité et les attitudes au travail qui en résultent.

Mots-clés: Fusions-acquisitions internationales, intégration post-fusion, friction culturelle, comportement organisationnel citoyen, identification post-fusion, confiance interpersonnelle.

El rol de la fricción cultural en los micromecanismos de integración sociocultural en fusiones y adquisiciones internacionales

Resumen

Esta investigación explora los micromecanismos socioculturales que vinculan la identificación post-fusión con las conductas de ciudadanía organizacional, una relación ampliamente observada pero no explicada en la literatura sobre fusiones y adquisiciones. Usando un enfoque multiparadigmático y la teoría de la identidad social, introducimos la confianza interpersonal y la fricción cultural como variables clave. Modelos de ecuaciones estructurales, con datos de encuestas a gerentes que habían experimentado al menos una fusión/adquisición internacional, revelan que la confianza interpersonal media completamente esta relación. Contra-intuitivamente, la fricción cultural muestra impactos positivos. Este estudio contribuye al campo de las fusiones y adquisiciones internacionales al destacar la fricción cultural como una variable útil para explicar la formación de la identidad y los resultados actitudinales laborales.

Palabras clave: Fusiones y adquisiciones internacionales, integración post-fusión, fricción cultural, conductas de ciudadanía organizacional, identificación post-fusión, confianza interpersonal.

Introduction

National cultural differences have long been recognized as influential in cross-border merger and acquisition (CBM&A)¹ outcomes (e.g., Shenkar, 2001; Björkman et al., 2007; Sarala et al., 2019), yet a consensus on their impact remains elusive. Studies have yielded mixed results, with outcomes being at times negative (e.g., Cartwright & Schoenberg, 2006), positive (e.g., Morosini et al., 1998), or a combination of both (e.g., Reus & Lamont, 2009). To conceptualize and analyze the cultural challenges in CBM&As, scholars have predominantly used the cultural distance framework (Beugelsdijk et al., 2018). However, this framework addresses macro-level differences between countries but does not adequately examine the micro-mechanisms at play during the integration processes (Harzing & Pudelko, 2016), which encompass multi-level elements in a highly contextualized setting (Ye et al., 2023).

In investigating cross-cultural issues, we adopt a multi-paradigmatic research approach (Romani et al., 2018) and borrow from Shenkar's (2001) metaphor of friction, which emphasizes contacts and interactions (Drogendijk & Zander, 2010). Cultural friction, originally proposed as an alternative metaphor to cultural distance, stems from incompatibilities rooted in differing assumptions, values, behaviors, or norms. It acknowledges that situations exist where very different cultures (high cultural distance) work well together (low friction), while similar cultures (low cultural distance) may clash (high friction) (Shenkar et al., 2008).

Although progress has recently been made toward understanding the outcomes of friction in international settings (Campagnolo & Vincenti, 2022; Koch et al., 2016; Fuad & Gaur, 2019; Ye et al., 2023), gaps remain regarding individual-level interactions. Cultural friction as an individual-level phenomenon pertains to an individual's attitude toward sociocultural differences as a source of tension during interactions with individuals from different cultures (Durand, 2018). When friction occurs, such as when managers or employees disagree about the content of their exchange relationships, it is usually associated with lower individual outcomes (e.g., job dissatisfaction or unsatisfied work motives) (Robert & Wasti, 2002). Although research on CBM&As increasingly recognizes the importance of cultural differences in CBM&A performance, how cultural differences affect integration outcomes at the managerial level is still underexplored (Ye et al., 2023).

This study uses social identity theory (SIT) to examine how managerial perceptions of cultural friction affect individual-level work-related attitudes in the context of CBM&As. The contribution of SIT to our research purpose is twofold. First, M&As are viewed as a formal recategorization of two formerly different social groups into a new one. This major change in group membership (Van Knippenberg et al., 2002) generates ambiguity and uncertainty (Hogg & Mullin, 1999), and threatens the stability and continuity of employees' current identities (Hogg & Terry, 2000). In terms of social identity, M&As are social events that involve the confrontation of groups (Terry, 2001). CBM&As thus represent a scenario for potential confrontation (Terry, 2001), not only between groups from different organizations but also between groups from different countries, requiring a double-layered acculturation (Barkema, 1996). This increases uncertainty (Diduc, 2022), and challenges employees' values, attributes, and practices (Colman & Lunnan, 2011; Lupina-Wegener et al., 2020). SIT helps explain these processes.

Second, in CBM&As individuals experience a range of multiple sub-group belongings (Fiol et al., 2009), increasing in-group/out-group biases and culture-related conflicts. The presence of cultural friction accentuates stereotyping processes and can disrupt the process by which identification induces changes in behavior, attitudes, or beliefs to match the group individuals belong to. These dynamics can contribute to

¹ Although a merger has many different characteristics in comparison to an acquisition, Zaheer et al. (2003) estimated that only 45 out of 90,480 European M&A transactions between 1985 and 2001 could be considered as mergers of equals. So, in fact, 'pure' mergers are extremely rare even if it is very common for practitioners and academics to refer to a 'merger' when it is in fact an 'acquisition'.

issues associated with work-related attitudes such as distrust, conflicts, and reduced collaboration. However, they can also boost identification processes that accelerate a new identity formation. SIT is suitable for understanding these processes.

Research has shown, in a variety of work contexts, that organizational identification results in increased work effort, higher performance, and more frequent engagement in collaborative behaviors (Van Dick et al., 2006a; Ullrich & Van Dick, 2007). In the context of M&As, findings demonstrate that post-merger identification plays a central role in shaping interpersonal dynamics and cooperative behaviors. Post-merger identification, trust, and organizational citizenship behavior (OCB) —actions that go beyond job roles and benefit the organization— have been recognized as key factors in achieving post-M&A success: post-merger identification has been shown to be an important determinant of post-M&A success (Kroon et al., 2009); scholars have highlighted that trust plays a central role in fostering integration (Stahl & Sitkin, 2010; Weber et al., 2012; Graebner et al., 2017); and finally, OCB has been recognized as a key factor of overall successful integration (Cho & La, 2014). Research suggests that identification fosters a sense of belonging and alignment with the collective identity of the merged entity, leading to increased employee trust in colleagues, and engagement in cooperative behaviors, such as OCB (Van Knippenberg et al., 2002; Lipponen et al., 2020).

We argue that cultural friction affects such work-related attitudes, as well as the interactions between those attitudes, and contributes to revealing the sociocultural micro-mechanisms behind the integration process. We thus address the following research question: How does cultural friction, as an individual-level phenomenon, interact with work-related attitudes such as post-merger organizational identification, interpersonal trust, and OCB? To tackle this question, we employ structural equation modeling to unravel the intricate relationships between post-merger organizational identification and OCB. To further investigate the role of cultural friction in the post-M&A integration processes, we introduce interpersonal trust as a mediator in the relationship between post-merger identification and OCB and analyze the direct and indirect effects of cultural friction on these variables.

This research contributes to the social identity approach and cross-cultural studies in the field of CBMAs, expanding our understanding of cross-cultural dynamics in this context. It offers insights into the role of cultural friction on the sociocultural micro-mechanisms underpinning integration processes in CBM&As. Our study emphasizes the role of interpersonal trust and cultural friction at the individual level, particularly the full mediating effect of interpersonal trust in the well-established relationship between post-merger identification and OCB, as well as the positive indirect effect of cultural friction on OCB through post-merger identification and interpersonal trust. It adds to the literature that uses multi-paradigmatic approaches in studying cross-cultural issues (Romani et al., 2018).

The rest of the paper is organized as follows. First, we develop the theoretical background, hypotheses, and research models. Then, we present the research method, including data collection and measures, after which we present the data analysis and results. Next, we discuss our findings in relation to theory and past research and our contributions. Finally, we present our conclusions, limitations, and suggestions for future research.

Theoretical background and hypothesis development

Social identity theory, mergers and acquisitions, and work-related outcomes

Social identity theory (SIT) explains attitudes and behaviors in terms of the importance of group belonging based on the inherent value humans place on social group membership, and their desire to view their specific social groups in a positive light (Hogg & Terry, 2000; Tajfel & Turner, 1986). M&As imply the formal

recategorization of two previously different social groups as a new one. Post-M&A integration process disrupts the social group memberships of the employees involved (Van Knippenberg et al., 2002; Weber, 2019; Lupina-Wegener et al., 2020), threatening the stability and continuity of employees' current identities (Hogg & Terry, 2000; Ullrich et al., 2005; Lupina-Wegener et al., 2011). In CBM&As, identity is not only embedded into belonging to the organizational group but also into the national culture (Stahl & Voigt, 2008), which increases in-group/out-group biases and "us" vs. "them" social categorization (Yildiz, 2016). In-group/out-group biases underscored by the mere existence of two different cultures may provoke potential conflict (Hogg & Terry, 2000) because the members of the out-group might be perceived as not sharing key values.

The sociocultural integration stage is thus a phase of identity transition in which multiple identities interplay (Lupina-Wegener et al., 2020), resulting in identity conflict or ambiguity (Fiol et al., 2009; Vaara et al., 2012; Karamustafa-Köse et al., 2022), and in which pre-merger and post-merger identities may coexist and be challenged (Rouzies, 2011; Lupina-Wegener et al., 2020). Identities need to be integrated and (re)built through a socially constructed process (Vaara, 2000; Lupina-Wegener et al., 2020) in which new norms must be established through social interactions, individual negotiations, and cultural conflict resolution (Rouzies & Colman, 2012).

Research has shown in a variety of contexts that organizational identification results in increased work effort, higher performance, reduced staff turnover, and more frequent engagement in collaborative behaviors (Riketta, 2005; Van Dick et al., 2006a; Ullrich & Van Dick, 2007). A positive and significant relationship between organizational identification and organizational citizenship behavior (OCB) has already been found. In their meta-analysis, Van Dick et al. (2006a) confirmed the causal relationship of organizational identification impacting OCB (and not vice versa) across different cultural groups. Given this, we place this relationship at the core of our research models: first, we analyze the moderating effect of cultural friction on the relationship between post-merger identification and OCB (Model 1); second, we consider the direct and indirect effects of cultural friction in the relationship between post-merger identification and OCB, mediated by interpersonal trust (Model 2).

In M&A contexts, post-merger identification, trust, and OCB have been recognized as key factors in achieving post-M&A success (Kroon et al., 2009; Cho & La, 2014; Graebner et al., 2017). Findings demonstrate that post-merger identification plays a central role in shaping interpersonal dynamics and cooperative behaviors such as OCB. Post-merger identification corresponds to the organizational identification concept at the post-M&A integration stage. It reflects the extent of "the perception of oneness with or belongingness to the combined entity where the individual perceives him or herself in terms of the organization(s) in which he or she is a member" (Mael & Ashforth, 1992, p. 104). OCB has its roots in the work of Katz and Kahn (1978), who explicitly recognized it as a form of "spontaneous cooperation." OCB is defined as an "individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organization" (Organ, 1988, p. 4). Cho & La (2014) recognized OCB as a key factor for overall success integration. Scholars suggest that identification fosters a sense of belonging and alignment with the collective identity of the new entity, resulting in increased trust in colleagues and active engagement in cooperative behaviors, such as OCB (Van Knippenberg et al., 2002; Lipponen et al., 2020).

Although cultural friction is known to emphasize contact and interactions (Drogendijk & Zander, 2010; Luo & Shenkar, 2011), this concept has not yet received the attention it deserves. This is perhaps due to its high degree of complex operationalization or its organizational rather than individual original focus (Shenkar et al., 2008). Shenkar et al. (2022, p. 526) argued that "a contact-based perspective could and should be tuned to individual actors, embedded as they are in their respective organizations and nations".

Even though progress has recently been made toward understanding the outcomes of cultural friction in international settings (Koch et al., 2016; Fuad & Gaur, 2019; Ye et al., 2023), these empirical studies rely heavily on cultural distance frameworks and do not capture the micro-individual nature of the cultural friction at play during sociocultural integration. Ambos and Håkanson (2014) claimed that it is necessary to focus on frictions in individuals' interactions, and *cultural friction*—proposed by Durand et al. (2024) as a microfounded attitudinal variable stemming from grounded critical incidents—is consistent with this view. Cultural friction as an individual-level phenomenon pertains to an individual's attitude towards sociocultural differences as a source of tension during interactions with individuals from different cultures. Cultural friction arises when an individual's values, attitudes, and behaviors do not align with what the individual perceives in his/her organization, provoking tensions, and conflicting demands (Durand, 2018). When friction occurs, such as when managers or employees disagree about the content of their exchange relationships, it is often associated with lower outcomes for individuals (e.g., job dissatisfaction or unsatisfied work motives) (Robert & Wasti, 2002).

Empirical studies applying a cultural-friction perspective to examine the impact of different cultures in international settings have found counter-intuitive positive effects. For instance, Koch and colleagues (2016) examined the correlation between cultural friction in leadership beliefs and the survival of foreign-invested enterprises and found that cultural friction can be more beneficial than detrimental. More recently, in CBM&A settings, Campagnolo and Vincenti (2022) found that heightened frictions stemming from national cultural differences between the parties involved in CBM&As could, paradoxically, lead to increased profitability for target firms. Ye et al. (2023) employed cultural friction as a case-based concept and measurement for cultural differences, which captures multi-level differences in a more contextualized setting and reflects real cultural contacts during the CBM&A process. They found a U-shaped relationship between cultural friction and CBM&A performance, concluding that cultural friction can yield positive, negative, or neutral outcomes.

As Romani et al. (2018) proposed, no single research paradigm in cross-cultural studies is equipped to provide the full picture of a phenomenon. Our research can be described as multi-paradigmatic because it combines different paradigms to enrich the analysis and trigger new research questions. Cultural differences have been traditionally considered challenging since they increase conflicts and negative attitudes (Björkman et al., 2007; Stahl & Voigt, 2008; Yildiz & Fey, 2016). To study the effects of cultural differences on post-merger outcomes, researchers have predominantly used the cultural distance framework (Beugelsdijk et al., 2018) in a positivist tradition (Romani et al., 2018). However, this framework addresses macro-level differences between countries and does not adequately consider the micro-mechanisms at play during integration processes (Harzing & Pudelko, 2016), which encompass multi-level elements in a more contextualized setting (Ye et al., 2023).

Beyond national differences, cultural differences exist in the minds of individuals and influence their perceptions, interpretations of meanings, and interactions with their counterparts (Zueva-Owens et al., 2012; Yildiz & Fey, 2016). At the interindividual level, interactions become difficult, especially when they occur between individuals from different countries, such as in the case of CBM&As (Shenkar, 2001, 2012; Rouzies & Colman, 2012), with the resulting discomfort during social interactions affecting work-related attitudes. By combining interpretivist, postmodern, and critical research paradigms, we analyze cultural friction at the individual level, considering meanings and sense-making with a focus on interpersonal interactions (a system of social interactions with negotiated contextual meanings) and local understanding (Romani et al., 2018).

In considering the moderating role of cultural friction on the relationship between post-merger identification and OCB, we argue that the perception of cultural challenges arising during the post-merger integration stage can generate conflicts that may adversely affect the way post-merger identification translates into

cooperative behaviors. Drawing on a social identity perspective, even if individuals see themselves as part of the entity as a result of the CBM&A, they may feel uncertain about what is regarded as good or bad behavior, especially by the out-group members; consequently, individuals may hesitate to adopt (or not) behaviors that are not formally enacted in the new entity because of their potential to increase conflict (Hogg & Terry, 2000). The process by which social identification induces modifications in terms of behavior, attitudes, or beliefs to match the group that individuals belong to (Tajfel & Turner, 1986) is disrupted by the presence of cultural friction, which fosters in-group/out-group biases (Yildiz, 2016). Thus, when cultural friction is higher, the strength of the relationship between post-merger organizational identification and OCB decreases. Based on this reasoning, we propose the following hypothesis relating to the post-M&A integration stage in CBM&As:

H1: Cultural friction negatively moderates the relationship between post-merger identification and OCB.

This hypothesis is represented in Figure 1.

Direct and indirect effects of cultural friction

The post-M&A integration process involves a major change in group membership (Rouzies, 2011; Weber, 2019; Lupina-Wegener et al., 2020), disrupting organizational members' identification (Van Dick et al., 2006b). We propose that cultural friction plays a pivotal role in the sociocultural integration processes after CBM&As. Cultural friction as an individual-level phenomenon pertains to an individual's attitude towards sociocultural differences as a source of tension during interactions with individuals from different cultures. In-group/out-group biases, "us" vs. "them" social categorization, and stereotyping processes are accentuated, preventing identity-building (Fiol et al., 2009; Vaara et al., 2012). Based on these arguments, we propose the following hypothesis pertaining to the post-merger integration stage in CBM&As:

H2a: Cultural friction negatively affects post-merger identification.

From a social identity perspective, individuals have different social identities, and they behave in terms of one in particular (Reicher, 2004). In CBM&A settings, conflicts can be accentuated because individuals have a range of multiple sub-group belongings (Fiol et al., 2009), increasing in-group/out-group biases and culture-related conflict. Individuals see themselves as part of their national-culture group (in-group) in contrast to the foreign-culture group (out-group). This enhanced differentiation process may result in particular behaviors (for instance, willingness or not to engage in cooperative behavior) and reactions during interactions that result from dealing with cultural friction.

Thus, when cultural friction is perceived, individuals might feel more threatened during intercultural interactions and become unlikely to engage in collaborative behaviors. Individuals may be less willing to participate in non-formal activities to avoid reinforcing identity threats resulting from the merger; this results from a fear of being misunderstood by the out-group members, since during the post-merger integration stage what is seen as the norm for good or bad behavior is not yet well-established (Hogg & Terry, 2000). In the same vein, Kroon et al. (2009, p.25) stated that "perceived cultural differences should be expected to be negatively related to positive attitudes toward the merger". In line with this reasoning, we propose the following hypothesis for the post-merger integration stage in CBM&As:

H2b: Cultural friction negatively affects OCB.

Although the role of trust in the post-merger integration stage has been widely studied and found to play a central role in fostering integration (Björkman et al., 2007; Stahl & Sitkin, 2010; Weber et al., 2012), the processes of building trust/distrust and how it affects outcomes at the post-merger integration stage are only partially understood (Graebner et al., 2017), especially at the individual level (Lipponen et al., 2020).

Trust is “built up over time in a social exchange process whereby the parties learn, step by step, to trust each other” (Hakansson & Snehota, 2000, p. 77). Trust has been defined as “a psychological state comprising the intention of accepting vulnerability based upon positive expectations of the intentions or behavior of another” (Rousseau et al., 1998, p. 395). In the case of CBM&As, where employees’ current identities can be threatened (Colman & Lunnan, 2011; Lupina-Wegener et al., 2020), acceptance of this vulnerability may be difficult. According to SIT and social categorization, the out-group (“them”) might be perceived as threatening and less trustworthy (Tajfel & Turner, 1986), leading to the idealization of the in-group to maintain a positive identity and affecting the trusting relationship.

Trust exists at different levels, both organizational and interpersonal. Organizational trust is analyzed at the firm level (Vlaar et al., 2007), while interpersonal trust refers to the level of trust between individuals (Ganesan & Hess, 1997) and is directly related to social interactions and contacts between individuals. In our study, we use interpersonal trust given that our analysis focuses on social interactions and micro-exchanges at the individual level. From a social identity perspective, the link between trust and identity has been highlighted. Fiol (2002, p. 659) posited that “people’s willingness to identify with a social group is predicated on trust, that itself is based on a common shared identity”.

We suggest that when cultural friction is perceived, interpersonal trust is reduced because individual interactions become a source of discomfort that makes shared understanding difficult at the group level (Dao et al., 2017), thus reinforcing out-group/in-group differences. Consequently, individuals do not feel free to exchange and are unable to fully understand each other (Lipponen et al., 2020). Thus, we propose the following hypothesis concerning the post-M&A integration process in CBM&As:

H2c: Cultural friction negatively affects interpersonal trust.

The role of interpersonal trust in the relationship between post-merger identification and OCB remains underexplored, even though trust has been recognized as a critical factor in successful integration (Weber et al., 2012; Stahl & Sitkin, 2010; Lipponen et al., 2020) and found to influence the level of cooperation in sociocultural integration processes (Hajro, 2015) as it facilitates micro-exchanges between employees and prompts them to develop cooperative behaviors. We propose that, during the integration process, individuals’ identification with the new entity positively affects interpersonal trust formation, and that interpersonal trust, in turn, positively impacts OCB. This occurs regardless of the effect of post-merger identification on OCB proposed previously. In other words, interpersonal trust partially mediates the relationship between post-merger identification and OCB. This hypothesis attempts to disentangle the complex micro-mechanisms in the sociocultural integration process of CBM&As by explaining part of the relationship widely observed in the literature between organizational identification and OCB (Van Dick et al., 2006a). Consequently, we propose the following hypothesis:

H2d: Interpersonal trust partially mediates the relationship between post-merger identification and OCB.

This mediation hypothesis complements the set of hypotheses dedicated to testing the direct and indirect effects of cultural friction on the relationship between post-merger identification and OCB as depicted in Figure 2.

Research method

Research design

This cross-sectional study is based on an instrumental-variable design, with Likert-type scales, and structural equation modeling using EQS 6 software. An instrumental variable is a third variable, used in structural equation modeling (including regression and path analyses) to establish causality when dealing

with *potentially endogenous predictors* (variables that might be influenced by other variables in the model, including their error terms) (Antonakis et al., 2010). Endogeneity occurs when a variable in a model is presumed to be independent but is actually dependent. Including instrumental variables allows researchers to control for potential endogeneity, omitted variables, reverse causation, and common-method variance and obtain consistent estimates (Antonakis et al., 2010; Kim & Steiner, 2016).

The use of instrumental variables in management research is extensive. Just to mention a couple of examples, Maydeu-Olivares et al. (2020) used market orientation as an instrumental variable in analyzing the effects of innovation performance (the potentially endogenous variable) on market share in a sample of insurance companies in Europe. Gu et al. (2020) used industry average firm age and size as instrumental variables in analyzing the effects of local state ownership (the potentially endogenous variable) on CBM&As in China. Using instrumental variables is "the most useful and most-used method to ensure consistency of estimates threatened by endogeneity" (Antonakis et al., 2010, p. 1100). In our research, we use global mindset and age as instrumental variables in analyzing the moderating effects of cultural friction (the potentially endogenous variable) on the effect of post-merger identification (also, a potentially endogenous variable) on OCB, in Model 1; and global mindset as an instrumental variable in analyzing the effects of post-merger identification (the potentially endogenous variable) on OCB and interpersonal trust, in Model 2. We explain these models in detail below.

The introduction of instrumental variables as antecedents of the potentially endogenous variables allows us to consider only those variations of the independent variable that are not attributable to other variables in the model (namely post-merger identification, OCB, and interpersonal trust, including their error terms). This subsequently enables the establishment of causal relationships between variables in cross-sectional studies (Antonakis et al., 2010).

The use of instrumental variables also reduces the problems related to the common method variance, in other words, the variance attributed to the measurement method rather than the constructs the measurements are supposed to represent. The issue is that the variance of systematic errors can have a significant confounding influence on empirical results, yielding potentially misleading conclusions. An important aspect of this common method variance is that, ultimately, it causes endogeneity because the independent variable can be correlated with the error terms of the dependent variable. To address this concern, we followed the recommendation of Podsakoff et al. (2003) to apply both procedural and statistical remedies.

Regarding procedural remedies, we carefully adapted the items from the literature to avoid vague terms, keep questions simple, and improve comprehension. To reduce evaluation apprehension and minimize the possibility of bias resulting from socially desirable responses, we guaranteed anonymity to the respondents and assured them that there were no right or wrong answers. We made clear that they simply had to answer the questionnaire as honestly as possible.

Regarding the statistical remedies, we included a *single unmeasured latent common method factor* to account for common method variance as well as other possible common sources of variance. The variance of the responses is thus partitioned into three components: trait, method, and random error. In this manner, this technique controls for any systematic variance between the constructs of interest, rendering estimates for the trait factors consistent. The variance in the data that is explained by the survey instrument itself is included in the model to purge the estimates from the effect of this variance. By introducing a latent unmeasured variable that explains all manifest variables in the model (and constraining the variance of this common factor to be 1) the measurement effects are separated from the trait effects and consistent estimates can be obtained. This is useful as researchers are usually not interested in identifying the specific factors responsible for common method effects (Podsakoff et al., 2003).

The unit of analysis in this study is the individual manager's perception. Thus, all variables are measured at the individual level. Survey data were analyzed using factor analysis to assess the validity and reliability of measures; then, complete structural models and path analysis were used for hypothesis testing.

Survey instrument, sample, and data collection

The questionnaire consisted of two sections: one was dedicated to obtaining the respondent's profile to verify that they met the inclusion criteria (i.e., having experienced at least one CBM&A and using English as their working language), and the other contained the items measuring the variables included in the research models. The scales, which were taken or adapted from previous studies, are all self-reported measures of attitudinal variables. The questionnaire included 36 items to measure the variables in the model, plus four additional variables: age, education, gender, and global mindset (composed of six items, see the Appendix). Age is used as an instrumental variable in Model 1; education and gender are used as control variables in Model 1; age and gender are used as control variables in Model 2; and global mindset is used as an instrumental variable in both Model 1 and Model 2. It was made clear in the instructions that each item should be addressed within the post-deal CBM&A context.

Respondents were managers randomly selected and surveyed through Qualtrics². Random sampling allows researchers to obtain a sample that is representative of a certain population whose results are expected to be generalizable (Short et al., 2002). It has been recognized as the optimal sampling technique to control for confounding effects in quasi-experimental designs. A random sample is suitable because it provokes external variables that can cause the results to cancel each other out (Pourhoseingholi et al., 2012). In this manner, particular characteristics of the deals, the managers, and their companies and industries are less likely to affect the results. While random sampling can help reduce the impact of unmeasured confounders, it does not guarantee their complete elimination. There will always be a degree of uncertainty when dealing with unobserved variables. We include instrumental variables to mitigate this risk.

Random sampling was therefore carried out on a population willing to take part in research studies. The inclusion criteria were being Western managers and using English as their working language. From this panel, the Qualtrics algorithm selects potential respondents that meet the inclusion criteria. This selection is made using the application's random function. Our sample was therefore randomly selected from a population composed of managers from different countries in Western Europe and North America, working in different business sectors, with a variety of company sizes, levels of education, roles/levels of management, genders, and ages. When they started the survey, our filter question asked them if they had already experienced at least one cross-border M&A within the 24 months before the survey. In total, 163 respondents took part in the survey, but 21 were excluded because they had M&A experience, but not cross-border M&A experience.

All respondents had experienced at least one CBM&A in the 24 months before the survey, thus ensuring solid recall of the unfolding events. Our managers had rich, diverse experience in CBM&As. Some were experienced in acquiring other organizations, others had experience in being acquired, and some had even experienced both. For this reason, we chose not to specify the difference between managers experiencing acquiring and being acquired. Rather, we relied upon their status as knowledgeable agents in the field of CBM&As. Descriptive statistics of the sample are shown in Table 1. We observe that no single sector represents more than 12% of the total sample, so the sample is not sector biased. Also, demographics of the respondents show a good variation, as well as the size of the companies and the number of CBM&As

² Qualtrics is an online platform used extensively in scientific research that allows researchers to reach respondents who fit specific criteria (Lowry et al., 2016).

experienced. All potential confounders are ruled out by introducing the instrumental variables in the models and, consequently, do not threaten the consistency of our results.

Measures

Cultural friction. This is measured using the Cultural Friction Index, which is a scale developed based on a grounded methodology using critical incidents (Durand, 2016). This scale consists of seven hypothetical critical incidents and 21 items—three items per critical incident. It measures two different types of cultural friction: internalized and externalized. Internalized cultural friction is related to the discomfort derived from cultural differences experienced by the individual that he or she is not willing to deal with openly, while externalized cultural friction refers to the same discomfort that the individual is willing to deal with openly. Because of the way the scale is constructed, both internalized and externalized cultural friction must be measured together. However, in this study, we only use externalized cultural friction because internalized cultural friction was found to overlap with our measure of post-merger identification.

Organizational citizenship behavior (OCB). This is measured using the eight-item scale developed by Lee and Allen (2002), which measures OCB that benefits the organization. The items were rated on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree) to indicate the extent to which the respondent agrees that they engage in a particular behavior. Two of the eight original items were discarded because of cross-loadings in the factor analysis, and the remaining six items were retained.

Post-merger identification. This is measured using a three-item scale based on Van Knippenberg et al. (2002). Respondents were asked to portray themselves according to their degree of agreement or disagreement, on a five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree) with items related to the new entity resulting from the merger or acquisition. Each item was adapted to make the M&A context explicit.

Interpersonal trust. This is measured based on the four-item, affect-based interpersonal trust scale developed by McAllister (1995). Respondents were asked to portray themselves according to their degree of agreement or disagreement on a five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree). We adapted the items to highlight the context of the new entity.

Global mindset. This is an instrumental variable measured using the six-item scale developed by Gupta and Govindarajan (2002). According to these authors, a global mindset is “one that combines an openness to and awareness of diversity across cultures and markets with a propensity and ability to synthesize across this diversity” (Gupta & Govindarajan, 2002, p. 117). Through both openness and integration processes, a global mindset is related to the extent to which the individual identifies with the new entity and constructs a managerial identity after the M&A. It is also related to the perception of cultural friction that is experienced as a consequence of the CBM&A because of the awareness of differences between cultures (Durand, 2016). Global mindset is an attitude that is formed in the long term based on personal history and experience (Gupta & Govindarajan, 2002), thus it could be considered exogenous to the model. This concept explains cultural friction, but it is not explained by the other variables in the model. These elements make global mindset a suitable instrumental variable for our research. In our survey, global mindset is measured by asking the respondents to indicate the extent to which they agree with several statements related to cross-cultural interactions using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). One of the six original items was discarded because of cross-loadings in the factor analysis, and the five remaining items were retained.

Validity and reliability of measures

Discriminant validity is shown through factor analysis including all the constructs in the models. Table 2 shows the factor loadings and communalities for all the remaining items in the measurement model, as well as the reliability coefficient Cronbach's alpha for each construct. Discriminant validity is confirmed because no items load significantly on more than one factor. All the measures show good reliability: all factors yield a Cronbach's alpha between 0.76 and 0.93 (Hair et al., 2011). Additionally, in Table 3 we present the Pearson correlations between every pair of constructs, as well as the square root of the average variance extracted (AVE). The fact that the AVE values (in the diagonal) are higher than any other element in the table provides evidence of discriminant validity (Fornell & Larcker, 1981).

Statistical analysis and results

Techniques for the statistical analysis

For hypothesis testing, first, we test the moderating effect of cultural friction on the relationship between post-merger identification and OCB (Figure 1 – Model 1), and second, we test the direct and indirect effects of cultural friction on post-merger identification, interpersonal trust, and OCB (Figure 2 – Model 2). We used global mindset and age as instrumental variables in Model 1. Also, we used gender and education as control variables in this first model. In Model 2, we used global mindset as an instrumental variable as well as age and gender as control variables.

In Model 1, we test for moderation using a two-step approach in a path model. In the first step, independent regression models are estimated, including the instrumental variables (global mindset for post-merger identification, and age for cultural friction) to obtain the predicted values of the potentially endogenous variables to be introduced in the second step. We use this procedure to avoid convergence problems. In the second step, we run a path model in which OCB is regressed on post-merger identification, cultural friction, and the moderating term (post-merger identification \times cultural friction); these last three variables were estimated in the first step. Error terms are allowed to correlate to obtain consistent estimates, as recommended by Antonakis et al. (2010).

In Model 2, we follow Anderson and Gerbing's (1988) recommendation: first, we address validity and reliability in the measurement model, and second, we test the hypotheses using a full structural model. We perform the statistical analyses using the EQS 6 software with the maximum-likelihood robust method estimation. Robust estimation corrects for multivariate kurtosis that, in our study, was evidenced by a normalized Mardia's coefficient of 9.6 in the measurement model. Consequently, we report the Satorra-Bentler scaled chi-square statistic ($SB \chi^2$). We include a *single unmeasured latent common method factor* to account for common method variance as well as other possible common sources of variance as described by Podsakoff et al. (2003). This technique controls for any systematic variance between the constructs of interest, rendering estimates for the trait factors consistent. We also use global mindset as an instrumental variable to reduce the threats of spurious relationships, reverse causation, and endogeneity (Antonakis et al., 2010).

Both the measurement and structural models present a good fit according to the criteria for model assessment proposed by Hatcher (1994). The measurement model including all the items in Table 1 shows good fit indicators: $SB \chi^2 = 191.34$; degrees of freedom = 196; p -value for the chi-square test > 0.58; CFI = 1.000; the absolute value for the t statistic for each factor loading exceeds 1.96; and the 90% confidence interval of RMSEA is 0.00–0.034. All variances and covariances were correctly estimated.

Hypothesis testing

In Model 1, we observe a negative and significant moderating effect ($B = -1.250, p < 0.019$); that is, when cultural friction is higher, the relationship between post-merger identification and OCB is weaker. This finding confirms H1.

In Model 2, we find a positive and significant effect of cultural friction on post-merger identification ($B = 1.793, p < 0.002$), rejecting H2a; however, the direct effects of cultural friction on OCB ($B = 0.462, p < 0.14$) and interpersonal trust ($B = 0.459, p < 0.17$) are not significant. Thus, H2b and H2c are not supported. However, we observe significant indirect effects of cultural friction on interpersonal trust through post-merger identification ($B = 1.356, p < 0.04$) and on OCB through post-merger identification and interpersonal trust ($B = 1.281, p < 0.07$). Table 4 presents the statistical results and fit indicators for both models.

The specific path through which cultural friction affects the three other attitudinal variables is interesting. Cultural friction directly affects post-merger identification, and through this, it affects interpersonal trust. Finally, through post-merger identification and interpersonal trust, cultural friction affects OCB. The results for both total and indirect effects, as well as their significance, are provided by the EQS software. In Model 2, the total effects of cultural friction on OCB ($B = 1.744, p < 0.004$) and interpersonal trust ($B = 1.814, p < 0.01$) are positive and significant, even if the corresponding direct effects were found to be nonsignificant. These findings reveal specific explanatory mechanisms by which cultural friction affects work-related attitudes during the post-merger integration process in CBM&As. In this case, we observe that the introduction of cultural friction makes the relationship between post-merger identification and OCB nonsignificant ($B = 0.148, p < 0.39$), revealing the full mediating role of interpersonal trust, instead of a partial mediation as proposed in H2d.

Discussion

This research empirically investigates and analyzes the impact of cultural friction as an attitudinal variable at the individual level, on post-merger identification, trust, and OCB, as well as the interactions between those attitudes. We find a negative moderating effect of cultural friction on the relationship between post-merger identification and OCB. When cultural friction is perceived, the impact of post-merger identification on OCB weakens. This finding can be explained at the micro-individual level by cultural friction that affects individuals' willingness to engage and to contribute to extra-role behavior within the new entity (see also Kroon et al., 2009). Employees may feel insecure about participating in non-formal activities because what could be regarded as acceptable or unacceptable normative behavior has not yet been well-established during the post-merger integration process (Hogg & Terry, 2000).

In addition, our findings challenge the conventional wisdom that cultural differences and perceived cultural conflict negatively influence post-M&A work-related outcomes (Fiol et al., 2009; Hogg & Terry, 2000; Vaara et al., 2012; Dao et al., 2017; Weber, 2019; Lipponen et al., 2020). In contrast, we offer evidence of positive indirect effects of cultural friction on OCB, fully mediated by post-merger identification and interpersonal trust. We provide stimulating and counterintuitive insights demonstrating that cultural friction that manifests at the micro-individual level is not necessarily disruptive. Rather it can be beneficial in improving work-related outcomes. When an individual openly deals with the discomfort he or she experiences because of cultural issues, identification with the new entity is improved because he or she contributes to establishing the new norms, creating a sense of belonging. This process might be stimulated through intergroup interactions, which play a crucial role in sociocultural integration, thus enhancing the possibility of creating a shared identity (Lupina-Wegener et al., 2015).

The positive effect of cultural friction on post-merger identification could be linked to the effort made by the individual to manage cultural conflict through negotiations. This provokes social interactions that build a new

status quo, resulting in higher identification with the group (here, the new entity). Dealing openly with cultural friction might be a means to reducing uncertainty and ambiguity, thus fostering greater identification with the new entity. This is consistent with Hogg and Mullin's (1999) study of the antecedents of organizational identification which showed that identification is contingent on the desire to reduce uncertainty.

Following SIT, employees enhance their sense of belonging by means of openly dealing with cultural differences, provoking inter-individual and/or inter-group confrontations and negotiations that reduce uncertainty, improve interpersonal trust, and in turn spark initiative, innovation, and creativity. Studies have shown that conflicts present a source of creativity and an opportunity to improvise or try something new that can improve the organization (Heifetz & Laurie, 2001; Andrade et al., 2008). "Conflicts urge managers to act mindfully and be more sensitive to enhance chances of success" (Colman & Lunnan, 2011, p. 24). Thus, as Stahl and Tung (2015) pointed out, it is not cultural differences *per se* that lead to conflict, but rather the way that cultural differences are recognized, perceived, and managed.

During the post-merger integration process, individuals may act because they want to be included in the new collective and have their role acknowledged by stimulating actions (Colman & Lunnan, 2011). Lupina-Wegener et al. (2015) identified three different types of identity threats in M&As and argued that each of them has different consequences. When a value threat is perceived (as could be the case with cultural friction), employees may react by engaging more actively in the integration process, demonstrating specific behaviors that are valued (such as extra-role cooperation). Cultural friction fosters post-merger identification by triggering the kind of interactions and personal contacts that are relevant in shaping the new entity (Rouzies & Colman, 2012). This is also in line with Kroon et al. (2021), who emphasized the crucial role of interaction processes in promoting or hindering willingness to collaborate by reducing prejudice and bias.

Finally, we also find evidence of a full mediating effect of interpersonal trust in the relationship between post-merger identification and OCB. The consistently observed effect of organizational identification on OCB (Riketta, 2005; Van Dick et al., 2006b; Reiche et al., 2014) is not direct but fully mediated by trust, as revealed when integrating cultural friction in the mediation model. In other words, extra-role engagement in organizational behavior is driven by the degree to which employees identify with the organization, but only through interpersonal trust. To our knowledge, this is the first study to consider this particular role of trust. Therefore, we cannot compare our findings with those of previous research. Interpersonal trust seems to be a necessary condition for transforming post-merger identification into OCB because the degree of interactions and personal contacts is intensified when managers identify with the new entity (Rouzies & Colman, 2012). Thus, interpersonal trust increases, which in turn increases the involvement of managers in extra-role activities.

The identification with the new entity improves interpersonal trust because the individual progressively feels part of the new group and consequently is willing to accept certain vulnerabilities under the expectation of a positive response, improving interpersonal trust (Björkman et al., 2007; Lipponen et al., 2020). In turn, interpersonal trust improves OCB because it reduces the risk of misunderstandings in assuming unenacted behavior (Rousseau & McLean Parks, 1993). This is part of the novelty of our research, emphasizing micro-level explanatory mechanisms of the sociocultural integration process.

Contributions

Our research contributions are threefold. First, it contributes to the social identity approach in M&As providing valuable insights into the explanatory micro-mechanisms related to the perceptions of cultural friction. When individuals openly deal with cultural friction, it enhances their identification process and other work-related attitudes. Perception of cultural friction may provoke an identity threat that encourages managers to interact with their foreign counterparts, yielding them reduced uncertainty, identifying as

members of the combined entities, and developing interpersonal trust. This, in turn, motivates them to engage in extra-role behavior.

Second, by drawing on the cultural friction perspective, this study complements sociocultural integration and the CBM&A literature by analyzing the mediation effect of interpersonal trust in the relationship between post-merger identification and OCB. Our study attempts to disentangle the micro-mechanisms underpinning this relationship. It demonstrates part of this relationship reiteratively observed between organizational identification and OCB is fully mediated by interpersonal trust in the presence of cultural friction. It improves our understanding of *how* cultural differences matter to translate organizational identification into organizational citizenship behavior.

Third, our research adds to the literature by employing a multi-paradigmatic approach to studying cross-cultural phenomena (Romani et al., 2018). It demonstrates the utility of cultural friction as a microfounded variable to investigate perceptions of cultural differences and their effects on attitudinal and behavioral outcomes. Shifting attention from the macro-level paradigm of national culture to the microfoundational approach of studying individual perceptions and interactions allows us to identify the explanatory micro-mechanisms at stake during intercultural and interpersonal interactions. This study reveals a new lens through which researchers can analyze cultural issues, by revisiting cultural challenges at a micro-individual level of analysis. It approaches cultural friction not as a threat to sociocultural integration, but as an opportunity to enhance the possibility of successful post-M&A integration.

Conclusions

This study presents cultural friction at the individual level as a complementary paradigm and new lens in the study of the post-merger integration processes in the case of CBM&As. It offers insights into the role of cultural friction as an individual-level phenomenon on the sociocultural micro-mechanisms underpinning integration processes in CBM&As (Durand et al., 2024). We demonstrate that cultural friction affects work-related attitudes (namely post-merger organizational identification, interpersonal trust, and OCB), as well as the interactions between those attitudes. This paper questions the common belief that identity threats negatively influence post-acquisition outcomes; it does not take for granted that cultural differences are necessarily disruptive but rather explains that the identity threat caused by cultural friction could drive positive outcomes.

The implications of this research can be categorized into theoretical, managerial, and methodological. First, theoretically, this research confirms the importance of cultural friction in individual interactions in the identification process during the post-merger integration stage in CBM&As. It offers insights into recent cultural friction studies, emphasizing the beneficial role of cultural friction (Koch et al., 2016; Campagnolo & Vincenti, 2022; Ye et al., 2023). Scholars pointed out the cultural distance framework addresses macro-level differences between countries but does not adequately explore the micro-mechanisms at play during the integration processes (Harzing & Pudelko, 2016) and gaps remain regarding individual-level interactions. Although research on CBM&As increasingly recognizes the importance of cultural differences in CBM&A performance, how cultural differences affect integration outcomes at the managerial level is still underexplored (Ye et al., 2023). In adopting a multi-paradigmatic research approach (Romani et al., 2018) and borrowing from Shenkar's (2001) metaphor of friction, we filled these gaps. We analyze cultural friction at the individual level, considering meanings and sense-making with a focus on interpersonal interactions.

Second, from a managerial perspective, our research highlights specific micro-mechanisms that enhance OCB during post-merger integration by leveraging the positive effects of cultural friction on work-related attitudes. Addressing the discomfort from perceived cultural differences promotes post-merger identification and strengthens interpersonal trust, ultimately enhancing OCB. Our conclusions on synergistic effects of

cultural friction present an opportunity to deepen understanding of the skills required to manage post-CBM&A integration effectively. Managing cultural frictions enables individuals to adapt to new circumstances and perform varied tasks more efficiently. Managers should be encouraged to enhance their intercultural conflict negotiation competencies as managing such behavior is crucial for maintaining long-term relationships with colleagues, partners, and customers in international business relationships. This can be achieved by reinforcing interpersonal interactions, facilitating exposure to diverse backgrounds and promoting mutual learning about each other's cultural contexts. This is in line with Kroon et al. (2021), who emphasized the crucial role of interaction processes in promoting or hindering willingness to collaborate by reducing prejudice and bias. Implementing intercultural training workshops can foster understanding and positive attitudes toward cultural differences, recognizing that cultural friction occurs at the individual level and affects personal interactions, requiring management at the micro-level. Facilitating discussions on the critical incidents of cultural friction can help reduce identity threats and uncertainty, build trust, and enhance extra-role behaviors; engaging in critical thought processes can lead to favorable outcomes in intercultural interactions (Durand et al., 2024). This approach can mitigate workplace conflicts arising from misaligned cultural norms, values, practices in CBM&As.

Third, methodologically, this research exemplifies the utility of cultural friction measured at the individual level to investigate and obtain a nuanced explanation of the micro-mechanisms at play in sociocultural integration processes.

Limitations and future research orientations

The limitations of this research relate to the sampling and data collection methods used. We only included participants who use English as their working language, so our results might not be generalizable to a wider population of managers. Also, we used a single instrument to collect data, which can raise common-method-variance concerns. To address this issue, we introduced an unmeasured common method factor and instrumental variables to purge the models of common method variance, spurious relationships, reverse causation, and endogeneity, following the recommendations of Antonakis et al. (2010) and Podsakoff et al. (2003). In addition, although a random sample is useful in mitigating the confounding effects of unmeasured variables, there will always be a degree of uncertainty when dealing with unobserved variables. By integrating instrumental variables in the analysis, we mitigate this risk.

Future research on this topic could include other variables to observe potential interaction effects with cultural friction; for example, intention to quit, work satisfaction, cross-cultural training, M&A motives, types of integration, or acquiring vs. being acquired status. Moreover, future studies could combine micro-level antecedents, such as cultural friction and interpersonal trust, with macro-level outcomes, such as organizational performance and speed of integration, as suggested by microfoundational approaches (Contractor et al., 2019; Kano & Verbeke, 2019). Additionally, the study of cultural friction and its relations with organizational culture may be of interest. Also, studies empirically comparing the cultural-distance and cultural-friction perspectives could be interesting in assessing the explanation capacities of these approaches. Finally, longitudinal studies combining both qualitative and quantitative research methods would be useful in improving our understanding of sociocultural integration processes in CBM&As.

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Table 1
Descriptive statistics of the sample (N = 142)

Characteristics of respondents		%
<i>Sex</i>		
	Female	37
	Male	63
<i>Age (years)</i>		
	25–35	51
	35–44	37
	44–54	10
	54–64	2
<i>Education</i>		
	Bachelor's degree	32
	Master's degree	51
	PhD	12
	Not available	5
<i>Current company sector</i>		
	Technology	12
	IT	9
	Commerce/Sales & Retail	9
	Manufacturing	9
	Banking & Insurance	8
	Construction & real estate	6
	Communication & advertising	6
	Law & Accounting	6
	Audit & Consulting	6
	Healthcare	6
	Transportation	5
	Services	5
	Food & Drinks	4
	Engineering	4
	Other	5
<i>Current company size in number of employees</i>		
	Less than 10	38
	Between 10 and 49	31
	Between 50 and 199	19
	More than 200	12
<i>Number of CBM&As experienced during their work life</i>		
	1	48
	2–4	37
	5–8	9
	>8	6
<i>Years since last cross-border integration</i>		
	<1	25
	1–5	63
	>5	12
<i>Duration of the last cross-border integration (months)</i>		
	<6	10
	6–12	18
	12–18	22
	18–24	30
	>24	20
<i>Manager level</i>		
	Middle manager	62
	Senior manager	38

Table 2
Factor analysis for the constructs in the model

Item	Factor Loadings					
	Cultural Friction	Organizational Citizenship Behavior	Post-Merger Identification	Interpersonal Trust	Global Mindset	Communalities
1	0.5905	0.1608	0.1410	-0.0706	0.2003	0.440
4	0.6817	0.1154	0.0429	0.0104	0.2257	0.531
7	0.5185	0.1753	0.3479	0.0470	-0.1262	0.439
16	0.7123	0.0485	0.0959	0.1991	0.0829	0.565
19	0.6047	-0.0725	0.1655	0.1234	0.1199	0.428
23	0.1131	0.7653	0.1254	0.1126	0.1587	0.652
24	0.1312	0.7401	0.1628	0.2114	0.1913	0.673
25	0.1207	0.8193	0.1741	0.1064	0.1543	0.751
26	0.0422	0.7792	0.1332	0.158	0.2409	0.710
27	0.0534	0.8266	0.0864	0.1415	0.2025	0.755
29	0.0400	0.7469	0.0621	0.0921	0.2439	0.631
30	0.2346	0.2051	0.7711	0.233	0.1733	0.776
31	0.2687	0.1811	0.7176	0.2384	0.1262	0.693
32	0.1989	0.1741	0.7464	0.3225	0.1093	0.743
33	0.0533	0.2364	0.2160	0.7159	0.1901	0.654
34	0.1427	0.1947	0.244	0.7745	0.0588	0.721
35	0.0456	0.0935	0.1247	0.7408	0.1980	0.614
36	0.0761	0.1301	0.1283	0.8138	0.1624	0.728
38	0.1084	0.2660	0.3473	0.0650	0.5520	0.512
39	0.2553	0.1569	-0.0495	0.1856	0.5334	0.411
40	0.1616	0.2314	0.0768	0.1283	0.6903	0.579
41	0.1542	0.2832	0.0344	0.3162	0.6559	0.635
42	0.0551	0.3257	0.1982	0.1248	0.7101	0.668
Eigenvalue	2.67	8.47	1.24	2.12	1.69	
Variance explained (%)	16.3	30.0	15.8	20.2	17.7	
Cronbach's alpha	0.760	0.934	0.927	0.897	0.833	

Table 3

Pearson correlations and the square root of AVE (in diagonal)

Construct	Average	Standard Deviation	OCB	PMId	Global Mindset	Inter-personal Trust	Cultural Friction
Organizational Citizenship Behavior (OCB)	3.74	1.03	0.824				
Post-Merger Identification (PMId)	3.39	1.25	0.354	0.815			
Global Mindset	3.61	0.84	0.580	0.396	0.692		
Interpersonal Trust	3.62	1.03	0.412	0.576	0.479	0.823	
Cultural Friction	2.9	0.91	0.260	0.465	0.403	0.322	0.687

Table 4

Non-standardized path coefficients

Independent Variable	Dependent Variable	Direct effects	Indirect effects
MODEL 1			
Cultural Friction		-3.752*	
Post-merger Identification		1.577***	
Cultural Friction X Post-merger Identification	Organizational Citizenship Behavior	-1.250*	
Fit indicators for Model 1: Satorra-Bentler scaled chi-square = 6.112, degrees of freedom = 6, <i>p</i> -value for the chi-square test > 0.41, CFI = 1.000, 90% confidence interval of RMSEA = 0.00–0.110.			
MODEL 2			
Cultural Friction	Post-merger Identification	1.793*	
	Interpersonal Trust	0.459	1.356*
	Organizational Citizenship Behavior	0.462	1.281†
Post-merger Identification	Organizational Citizenship Behavior	0.148	0.424
	Interpersonal Trust	0.756***	
Inter-personal Trust	Organizational Citizenship Behavior	0.560*	
Global Mindset	Cultural Friction	0.407*	
Fit indicators for Model 2: Satorra-Bentler scaled chi-square = 231.86, degrees of freedom = 232, <i>p</i> -value for the chi-square test > 0.49, CFI = 1.000, 90% confidence interval of RMSEA = 0.00–0.035.			
Significance of the path coefficients: *** <i>p</i> < 0.001, * <i>p</i> < 0.05, † <i>p</i> < 0.1.			

Figure 1

Moderation of cultural friction in the relationship between post-merger identification and organizational citizenship behavior (Model 1)

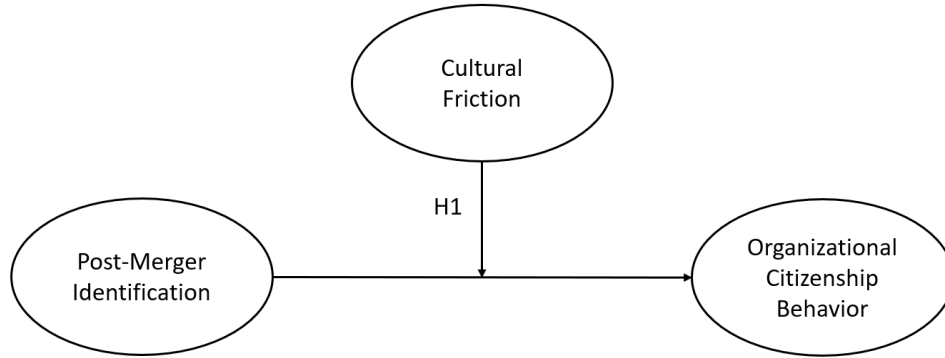
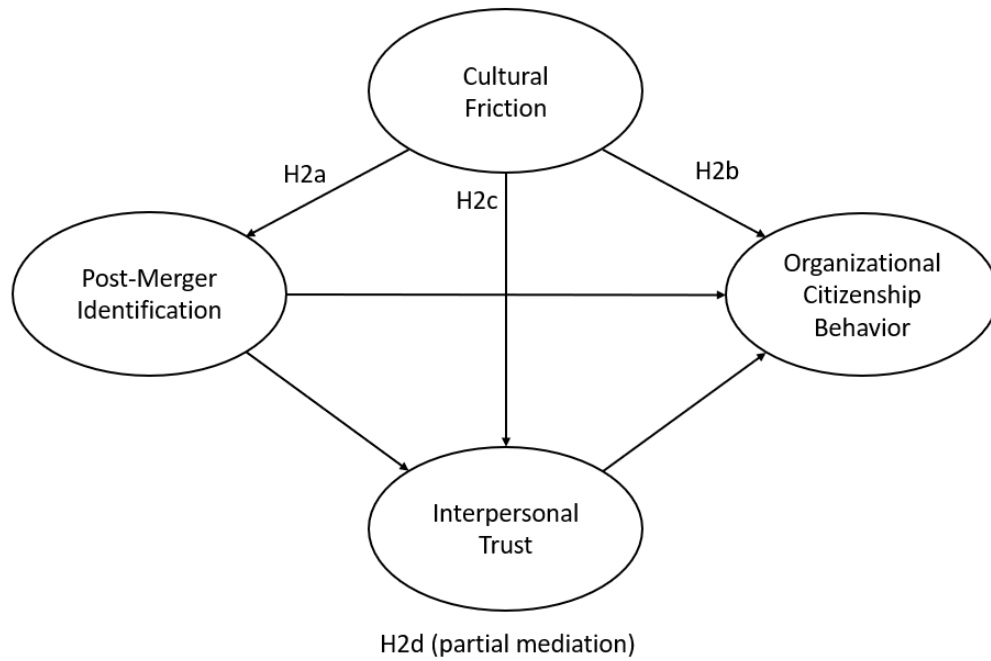


Figure 2

Direct and indirect effects of cultural friction (Model 2)



APPENDIX

Items in the questionnaire

In the instructions of the questionnaire, it was clear that all items should be interpreted in the context of a merger

All items were assessed through a Likert scale from 1 (strongly disagree) to 5 (strongly agree)

Cultural Friction Index (Durand, 2018)	
<i>Critical Incident</i>	<i>Items</i>
1. As an expert, you are sent to train people in a Corporate School abroad after a merger. You spend a lot of time at the workplace and it is like your new home in this foreign environment. One morning, one of the trainees arrives in the classroom with 5 friends with him, not from the company, to have breakfast together.	1. You strongly order them to leave, explaining that this is a private space reserved to people working there, and not for the others. 2. You kindly explain the policy of the organization, but you allow it, only for this time, and share a cup of coffee/tea. 3. For the above options, I would have behaved the same way if the person was from my own country.
2. You are sent to a country for shipping contracts negotiation. Your new colleague (from the merged company) approaches the task very differently than you have done in the past. He just rejected a first offer without even trying to negotiate. As a result, other shippers loose interest negotiating with you and your new partner. Finally, one of the shippers offers to work with you, but at a price that is 20% higher than the original offer.	4. You accept this offer but making a point of not working with this shipper in the future. 5. You apologize for having offended the shipper and try to repair the relationship. 6. For the above options, I would have behaved the same way if the person was from my own country.
3. You are the negotiator of a global company and had contracted a new supply boat to support the new operations due to the merger. When you arrived to get the boat in the period of time contracted, the owner, however, did not have the boat available because it was on a special charter to another of his important clients. You're driving crazy. After several days the owner's representatives proposed a substitute boat, bigger, better provided, at the same rate. It would be provided until the original boat became available. The cost of moving the bigger boat to and from the company's location would be borne by the owner. This outcome was satisfactory to you, although it was more costly for the owner.	7. You should have forced the owner to honor the initial contract and penalize him for failure to deliver. 8. Even though you hardly understand how the boat company can maintain performance and benefits working this way, you assume the owner was only concerned about pleasing both clients. 9. For the above options, I would have behaved the same way if the person was from my own country.
4. A construction project takes place in a remote area of an overseas country. The locals are ensured they would be adequately compensated for any disturbance. One key concern of the local peoples was the potential to disturb ancient burial sites, considered sacred. Construction eventually began. To everyone's surprise and regret, the crew came across old skeletons necessitating lengthy negotiations with locals concerning financial	10. You immediately engage a procedure for getting your money back. 11. You may have avoided this problem by cultivating closer relationships with key people. 12. For the above options, I would have behaved the same way if the person was from my own country.

compensation. You later realize that you have been tricked...

5. You just received an assignment to manage a construction project for your company in a foreign country. You run into difficulties with the trade unions involved with the project. Negotiations are in a stalemate. The project is starting to run behind schedule. What do you feel is the best strategy to pursue?

6. You decide to ask HQ to bring in a new crew to replace the locals. The new crew arrives and goes immediately to work. The reaction from the local union is fast. They are very upset and go on a rampage destroying cars in the parking lot and damaging parts of the construction project. You realize you made a mistake...

7. You have to conduct a meeting for the new team arrival. You have to introduce the new objectives with both the new team and the local team. At the end of the meeting, the visiting team asked if there are any questions and no one responded. But the second they left, it was clear the local team had lots of questions and they requested additional meeting time with you privately to clear things up. You're stupefied and don't know how to react...

13. You quickly think of importing an entire work crew from your home country to move the project forward.

14. You seek out other avenues to negotiate with the unions, perhaps an intermediary whom you've worked with in the past.

15. For the above options, I would have behaved the same way if the person was from my own country.

16. You continue with the new crew, disregarding what is happening.

17. You make another attempt to negotiate with the local union, using an intermediary.

18. For the above options, I would have behaved the same way if the person was from my own country.

19. You tell the local team it is unfortunately too late, they already had their chance to ask questions.

20. You realize the local team didn't want to embarrass you in front of the visitors and stay a longtime afterwards explicating the objectives.

21. For the above options, I would have behaved the same way if the person was from my own country.

Organizational Citizenship Behavior (Lee & Allen, 2002)

22. I use to attend functions that are not required but that help the organizational image.

23. I use to keep up with developments in the organization.

24. I use to defend the organization when other employees criticize it.

25. I use to show pride when representing the organization in public.

26. I use to offer ideas to improve the functioning of the organization.

27. I use to express loyalty toward the organization.

28. I use to take action to protect the organization from potential problems.

29. I use to demonstrate concern about the image of the organization.

Post-merger Identification (based on Van Knippenberg et al., 2002)

30. I identify strongly with my (new) organization.

31. When someone criticizes my (new) organization, it feels like a personal insult to me.

32. I feel strong ties with my (new) organization.

Interpersonal Trust (based on McAllister, 1995)

33. In our new work team, we have (had) a sharing relationship. We can (could) freely share our ideas, feelings, and hopes.

34. I can (could) talk freely to my new co-workers (coming from the merging firm) about difficulties I am having at work and know that they will want to listen.

35. In our new work team, we would feel a sense of loss if one of us was transferred and we could no longer work together.

36. If I shared my problems with my new co-workers, I know they would respond constructively and caringly.

Global Mindset (based on Govindarajan & Gupta, 2002 and Gupta & Govindarajan, 2002)

37. In interacting with others, national origin has no impact on whether or not you assign equal status to them.

38. You consider yourself as equally open to ideas from other countries as you are to ideas from your own country of origin.

39. Finding yourself in a new cultural setting causes fear and anxiety.

40. When visiting or living in another culture, you are sensitive to the differences without becoming a prisoner of them.

41. When you interact with people from other backgrounds, what you regard as more important is viewing them as representatives of their national background.

42. You regard your values to be a result of values acquired from multiple backgrounds as opposed to just one.
