BEST PRACTICES FOR PROCUREMENT INTEGRATION AFTER MERGERS AND ACQUISITIONS

Lappeenranta–Lahti University of Technology LUT

Master of Science in Economics and Business Administration, Master's Thesis

Master's programme in Supply Management

2026

Pyry Miettinen

Examiners: Professor Katrina Lintukangas, D.Sc (Econ. & Bus. Adm)

Professor Veli-Matti Virolainen, D.Sc (Econ. & Bus. Adm)

ABSTRACT

Lappeenranta–Lahti University of Technology LUT

LUT Business School

Master's programme in Supply Management

Pyry Miettinen

Best Practices for Procurement Integration After Mergers and Acquisitions

Master's thesis

2026

61 pages, 3 figures, 6 tables and 2 appendices

Examiners: Professor Katrina Lintukangas and Professor Veli-Matti Virolainen

Keywords: Post-acquisition integration, Procurement integration, Direct procurement, Supply chain integration, Information system integration, Procurement process scalability

Purchasing and sourcing activities are necessary for a manufacturing company's operational continuity and have a significant impact on its performance. Even under significant events such as mergers and acquisitions, these capabilities must work seamlessly, and their future development must be considered.

The purpose of this thesis is to understand the best practices for performing a post-merger integration for direct procurement activities. In particular, the focus is on identifying all possible aspects of integration and developing a process-like approach to performing it.

This research is a qualitative case study, and the data was collected through interviews with five experts within the case company and one from a notable consulting firm. The results provide an understanding of the case company's current integration capabilities, past research findings on the topic, and finally, a future framework for performing integrations.

TIIVISTELMÄ

Lappeenrannan–Lahden teknillinen yliopisto LUT

LUT-kauppakorkeakoulu

Supply Management – Maisteriohjelma

Pyry Miettinen

Parhaat menetelmät yritysoston jälkeisessä hankinnan ja ostotoiminnan integraatiossa

Kauppatieteiden pro gradu -tutkielma

2026

61 sivua, 3 kuvaa, 6 taulukkoa ja 2 liitettä

Tarkastajat: Professori Katrina Lintukangas ja Professori Veli-Matti Virolainen

Avainsanat: Yritysoston jälkeinen integraatio, Oston ja hankinnan integraatio, Suorahankinta, Toimitusketjun integraatio, Tietojärjestelmien integraatio, Hankintaprosessin skaalautuvuus

Hankinta- ja ostotoiminnot ovat keskeisessä roolissa valmistavan yrityksen operatiivisen toiminnan jatkuvuudessa, ja niillä on merkittävä vaikutus yrityksen suorituskykyyn. Hankinta- ja toimitusketjujen on toimittava saumattomasti myös merkittävien tapahtumien, kuten yritysten yhdistymisen ja yritysostojen yhteydessä, ja niiden strateginen kehitysnäkymä on otettava huomioon.

Tämän pro gradu -tutkielman tarkoituksena on selvittää parhaat käytännöt yritysoston jälkeisen suorien hankinta- ja ostotoimintojen integroinnin toteuttamiseksi. Tutkielmassa keskitytään erityisesti tunnistamaan kaikki integraation mahdolliset ulottuvuudet ja kehittämään prosessimainen lähestymistapa sen toteuttamiseen.

Tutkimus on laadullinen tapaustutkimus, ja aineisto kerättiin haastattelemalla viittä asiantuntijaa tutkimuksen kohteena olevasta yrityksestä ja yhtä asiantuntijaa konsulttiyrityksestä. Tutkimuksen tulokset antavat käsityksen tutkimuksen kohteena olevan yrityksen nykyisistä integraatiokyvykkyyksistä ja niiden suhteesta aiemman akateemisen tutkimuksen löydöksiin. Tutkimuksen lopussa esitetään lisäksi prosessimalli tulevien integraatioiden toteuttamiselle.

ACKNOWLEDGEMENTS

I want to express my deepest gratitude to all near and dear to me for supporting me through my studies. For me, university was not an obvious destination, and I want to thank the Abitiimi who visited my high school all those years ago for encouraging me to believe that pursuing a M.Sc. degree would be within my grasp. I hope that I did get to return the favor for someone else when I was fortunate to be part of Abitiimi XVI.

Pyry Miettinen

Töölö library

25.3.2026

ABBREVIATIONS

AI	Artificial Intelligence
DD	Due Diligence
ERP	Enterprise Resource Planning System
IS	Information System
M&A	Merger and Acquisition
MNC	Multinational National Corporation
PMI	Post-Merger and Acquisition Integration
S&OP	Sales and Operations

Table of contents

Appendices

Figures

Tables

DECLARATIONS

Turnitin

The originality of this thesis has been reviewed with the Turnitin similarity checking service.

AI usage

The author of the master's thesis used Grammarly and GPT-5 for language editing and coaching, ensuring a grammatically correct and clear presentation of textual information. After using the tools, the author reviewed and edited the content of this master's thesis and takes full responsibility for it

1. Introduction

Mergers and acquisitions (M&A) are currently undertaken worldwide more than ever (Tang 2025; IMAA 2026), as companies seek to gain a competitive advantage by acquiring promising companies to gain market power (Arts et al. 2025; Tang 2025). While M&As have been extensively researched since Manne's (1965) article, there is currently no prior academic research or established consensus on best practices for post-M&A integration (PMI) in procurement operations (Chae et al. 2022; Feldman & Hernandez 2022; Hu et al. 2025). This thesis investigates the best methods for performing a PMI by synthesizing relevant literature and conducting a case study. The objective is to identify theoretical dimensions and practical findings for creating a process-like framework for optimal integration. Fundamental to this research is mapping the current integration procedures and decomposing them to compare them with the literature's suggestions for creating innovative resolutions.

This study's subject is relevant and timely for several reasons. First, for industrial companies, spending on goods and services from suppliers is often substantial (Schiele 2019; Bodendorf et al. 2022). Ensuring that procurement activities are successfully integrated can significantly impact the overall success of the M&A and future competitive advantage. Second, scholars widely recognize the importance of the broad range of considerations that must be overcome for a successful post-integration process, such as operational, organizational, and information systems integration (Alaranta & Henningsson 2008; Angwin & Meadows 2015; Chakkol et al. 2018; Haspeslagh & Jemison 1991, 147-150; Jemison & Sitkin 1986; Steigenberger 2017; Teerikangas et al. 2011). At the same time, there is insufficient research on how companies have performed operational integrations. Third, given the strategic purpose of M&As and the academic consensus on the positive effects of conscious decision-making on successful integration performance, this thesis compiles relevant literature on the topic to support further theoretical development on the matter.

1.1 Research Questions and Objectives

The post-M&A integration academic literature lacks an in-depth understanding of supply chain integration activities and of integrating external partners into an already existing procurement entity (Chae et al. 2022; Feldman & Hernandez 2022; Hu et al. 2025). Chae et al. (2022), Chakkol et al. (2018), and Kroon et al. (2022) emphasize that the research gap should be bridged by studying more cases of firms' post-M&A supply chain integrations. Chae et al. (2022) highlight that especially more qualitative case study research is required in this field. Specific operational integration activities during the post-M&A phase have received too little attention in the M&A process, which has led to the situation where specific best practices of the post-M&A integration process remain unknown. Hence, the focus of this study is on discovering the best practices for integrating direct purchasing operations during post-M&A. Consequently, the study aims to provide an understanding of the integration process of direct purchasing during post-M&A, which will be studied with the following research question:

What are the best practices for performing a post-M&A integration process for direct purchasing operations, and why?

This master's thesis seeks to answer the research question with a qualitative research method, and several case company employees are interviewed to gather information. The interview results are analyzed using a conceptual framework that draws on assumptions from the existing academic literature.

1.2 Limitations

To ensure that this study remains concentrated and within scope, some limitations are applied to this thesis. This research focuses primarily on aspects of the best practices for driving up direct-purchasing functions, and no other operative functions, such as demand planning, or logistics, are deeply investigated. Furthermore, this study delves into how the case company can improve its capabilities, and the data used is gathered mainly from the company, which means that the results cannot directly be applied to other organizations. Additionally, this thesis is carried out from the perspective of the acquiring company and cannot be generalized to the perspective of the acquired company.

The best practices are always dependent on each case and the case's individual characteristics, such as company sizes, industries, and the overall nature of acquisition. Furthermore, interviews are always subject to the personal views of the interviewer and the participant. The analysis and conclusion are based on the interviews and literature review. Not all possible practices and aspects are covered in this research due to limited interview material and access to internal documents. Additionally, the participants may perceive their responsibility area's impact and nature as more important than others since they may lack overall knowledge of the whole process, thus creating positive biases towards their own role in the post-acquisition integration process. However, new insights are discovered, and the study adds value to the previous research on the topic. Lastly, the research's theoretical scope is limited for investigating PMI's effects on operational aspects of the acquisition and more specifically targeted at finding aspects on developing direct procurement ramp-up processes and discovering new best practices.

1.3 Research Methodology

The study comprises both theoretical and empirical elements. The theoretical section comprises a thorough literature review of academic works on post-M&A integration practices. The literature review seeks to identify best practices in post-M&A integration and to extract detailed insights, thereby creating an extensive information foundation that supports the study as a whole. The empirical section of this study is based on the theoretical findings and is compared with data from semi-structured interviews. The study employs a qualitative case study. The interviews are coded and analyzed by using the grounded theory method in NVivo. The results of the interviews collected and analyzed are presented by theme. The applied research approach is specified in chapter three.

1.4 Conceptual Framework

The conceptual framework of this study demonstrates how integration affects the purchasing and sourcing activities within the company and in the target company. As shown in figure one, the operations integration process connects to purchasing and sourcing activities, highlighting the integration need for direct purchasing activities. This conceptual framework

summarizes insights from academic literature and thesis findings, visualizing them in the context of this case study. Figure one illustrates the process used to research and analyze the study's research problem.

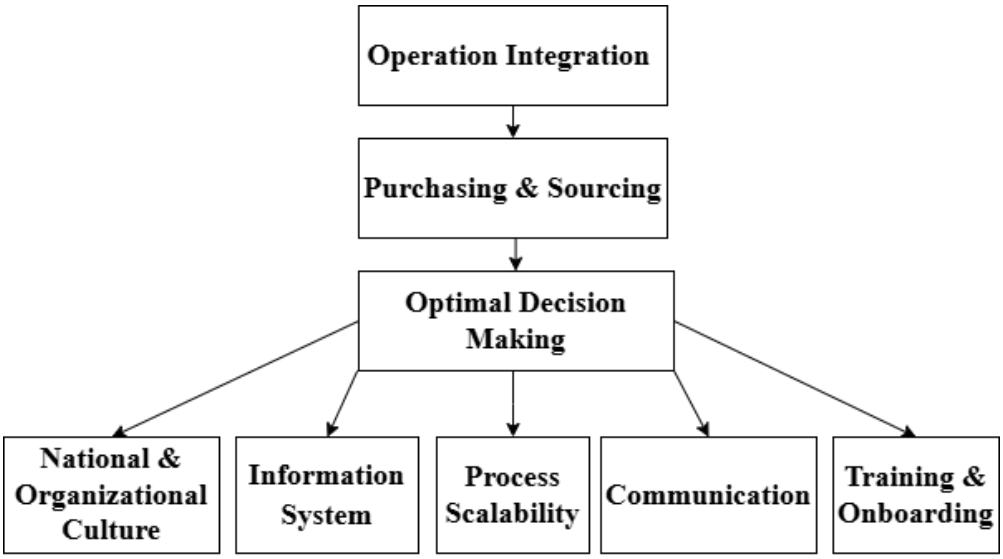

Figure 1: Conceptual Framework.

1.5 Structure

The purpose of this thesis is outlined in the introduction, with subsequent sections structured to support this objective. The second section is a literature review that presents prior research in the field and clarifies key concepts related to the thesis. In the third chapter, the methods are explained, and the data collection process is outlined. In section four the case- company is described and interviewees are introduced, as well as the analysis and findings are shown. In the fifth discussions chapter, results are compared with previous academic research. The sixth and final chapter answers the research question and the managerial and theoretical implications are described. Lastly, limitations and topics for further research are outlined.

2. Integration of Procurement Operations

This chapter examines existing academic research on the integration of procurement operations in M&As. It addresses key aspects of purchasing functions and prior literature's suggestions for the most optimal approaches to enabling the successful integration of procurement operations between two companies. The chapter covers literature on purchasing characteristics, dimensions to consider when integrating, the best practices for PMI, the importance of interaction and engagement, information system decisions and capabilities, and, lastly, the optimal operations continuum path. Integration dimensions can be found in table one. By exploring these perspectives, the chapter provides a structured foundation for understanding procurement integration, guiding the empirical analysis presented in the following chapters. At the end of this chapter a summarization of past research and topics can be found in table two.

2.1 Characteristics of Procurement

The main purpose of the purchasing or procurement process is to provide the needed flow of materials for manufacturing and product development in a manner that further improves the company's produced value and ensures competitiveness (Barney 1991; Cooper et al. 1997; Di Mauro et al. 2024; Kouvelis et al. 2006). According to Franco et al. (2023), numerous studies (Foerstl et al. 2016; Sjoerdsma & van Weele 2015; Zimmermann et al. 2020) have employed the resource-based view (RBV) to understand how performance can be achieved in operations. However, Franco et al. (2023) continue that RBV is compelling by its clear logic, but it has its limitations in describing how a company needs to set up its supply and purchasing operations alignment with external and internal actors and takes a more strategic level view rather than operational (Bromiley & Rau 2016). Franco et al. (2023), emphasizes with their contingency-configurational view that purchasing is not only a strategic function, but rather a combination of both operational and strategic dimensions including vendor management, negotiation, and process assessment. By neglecting operational details hindered performance in financial results, customer satisfaction, and delivery performance can be experienced (Franco et al. 2023).

Laari et al. (2023) and Dittfeld et al. (2021) note that procurement is part of a company's sales and operations planning (S&OP), where it plays a role in a cross-functional process as both a reactive and proactive actor in coordinating demand-supply imbalances rather than operating alone in a void. Furthermore, Dittfield et al. (2021) suggest that S&OP design should be considered on multiple levels within the company, namely, global, local, and regional levels, for adapting to distribution scenarios and for more precise decision-making in terms of balancing the demand-supply balance. Yang et al. (2025) add that companies are more than just their internal characteristics. Their external connections also drive their competitiveness. Yang et al. (2025) add that competition largely depends on the company's downstream demand network, since who one sells to, it competes with. Barney (2012) and Chi et al. (2010) further add that companies depend on their upstream supply network to compete, since it's an important source of resources and capabilities for bringing products and services to market (Chae et al. 2020; Choi & Kim 2008). Lastly, according to Kim & Choi (2015), buyer-supplier relationships can vary from short-term transactional to long-term strategic ones, and information sharing and resource sharing are prevalent for achieving synergy benefits between buyer-supplier relationships (Cui et al. 2015; Cai et al. 2010).

2.2 Dimensions to Be Considered

For successful domestic or cross-border operations integrations, a few different components need to be thought of, such as organizational factors, information systems, and, cultural distance or difference (O'Connor et al. 2023; Lorentz et al. 2020; Meyer & Henke 2023; Spreitzenbarth et al. 2024; Di Mauro et al. 2024; Van Hoek & Lacity 2023; Lorentz et al. 2018; Trautmann et al. 2009; Chen & Paulraj 2004). A summarized table one of key dimensions to be considered when performing operations integration can be found at the end of this subchapter. Regarding the organizational factors, Lorentz et al. (2018) and Lorentz et al. (2020) emphasize the need for management in purchasing business units to keep information processing efficient to meet uncertainty in business environments. Lorentz et al. (2018) continue that organizational boundaries can be distant inside multinational corporations' procurement units (MNCs) due to the complexity of business units, subsidiaries, and different functions. Furthermore, Lorentz et al. (2020) add that dimensions of distance, such as cultural, geographical, and cognitive distance, may increase the operational uncertainty due to decreased levels of communication and common

understanding, and a lack of cost and benefits understanding among in purchasing units' user-to-user collaboration.

In terms of information systems, part of successful cross-border operations, Hallikas et al. (2021), Chen & Paulraj (2004), and Trautmann et al. (2009) point out the need for an efficient IS for cooperation of purchasing business units with physical distance. Furthermore, Fawcett et al. (2007) add that utilization of IS leads to improved communication, thus reducing uncertainty and improving inventory efficiency and responsiveness to requests. Moreover, Handfield et al. (2019), Meyer & Henke (2023), and Van Hoek (2024) emphasize digitalization's effect on procurement processes, thus increasing and improving the use of analytics and Industry 4.0 tools for maintaining supplier management and internal operations efficiency. Van Hoek (2024) continues that artificial intelligence's (AI) current usage and future potential is notable in procurements processes such as supplier relationships management, strategic sourcing and ordering. However, recent Van Hoek study (2024) suggests that roughly less than half of the companies were currently utilizing AI in procurement processes and Challapally et al. (2025) study suggests that only 5% of the investments in AI have produced a positive impact on company's profit and loss statements.

EL Baz et al. (2022) note that culture can be defined as a combination of shared values, beliefs, behaviors, and attitudes within a collective. Although Murphy et al. (2020) note that culture is a complex, multifaceted concept with no single, agreed-upon definition. Moreover, O'Connor et al. (2023) view, which supports the effect of cultural distance's problems on successful purchasing operations in culturally dispersed and distant environments, is also supported by Cao et al. (2018) and Beugelsdijk et al. (2018) studies, which emphasize the critical importance of managing purchasing operations in a multicultural environment. However, Gupta & Gupta (2019) suggest that the literature on cross-border M&A performance shows mixed results about operational performance when national multicultural M&A integration is performed, thus suggesting that cultural differences do not directly cause a performance drop. Brede et al. (2025) note that organizational culture may be a more accurate predictor of M&A success than national culture, as it influences organizational practices such as behavioral norms, decision-making, and strategic initiatives. Brede et al. (2025) continue that greater cultural distance in M&A can lead to more positive learning opportunities and facilitate a more profitable recombination of resources. However, Brede et al. (2025) note that the cultural distance can be a source of friction in M&As.

Lorentz et al. (2018) and Lorentz et al. (2020) emphasize the need for a focus on management to keep the organization functional due to the increasing complexity in cross-border operations. Regarding information systems, Hallikas et al. (2021), Chen & Paulraj (2004), and Trautmann et al. (2009) agreed on the need for an efficient IS for successful operation, thus reducing uncertainty (Fawcett et al. 2007) in the supply chain. Additionally, Handfield et al. (2019), Meyer & Henke (2023), and Van Hoek (2024) stress the importance and potential of Industry 4.0 and AIs in operations from an information systems standpoint. Lastly, the effect of national and corporate culture distance in M&A is highlighted by O'Connor et al. (2023) and Brede et al. (2025).

Table 1: Dimensions to Be Considered.

Dimensions	Article and Dimension Characteristics	Article
Organizational Factors	Management of information processing efficiency; managing complexity across MNC boundaries, subsidiaries, and diverse functions; addressing operational uncertainty in global business environments.	Lorentz et al. (2018, 2020); Trautmann et al. (2009); Chen & Paulraj (2004)
Information Systems (IS)	Facilitating cooperation across physical distances; enhancing communication; reducing uncertainty; improving inventory efficiency and responsiveness to requests.	Hallikas et al. (2021); Chen & Paulraj (2004); Trautmann et al. (2009); Fawcett et al. (2007)
Digitalization & Industry 4.0	Utilization of analytics and Industry 4.0 tools for supplier management and internal efficiency; integration of AI in strategic sourcing, ordering, and SRM.	Handfield et al. (2019); Meyer & Henke (2023); Van Hoek (2024)
AI Implementation & Performance	Current adoption levels (under 50% of companies) noted gap between investment and financial impact (only 5% producing positive P&L results).	Van Hoek (2024); Challapally et al. (2025)
Cultural Distance	Shared values, beliefs, and attitudes; complex multifaceted definitions; potential for decreased communication and common understanding in user-to-user collaboration.	El Baz et al. (2022); Murphy et al. (2020); Lorentz et al. (2020); O'Connor et al. (2023); Cao et al. (2018); Beugelsdijk et al. (2018)
National vs. Organizational Culture	Mixed results on M&A performance; organizational culture as a stronger predictor of success than national culture; cultural distance as a source of both friction and positive learning and resource recombination.	Gupta & Gupta (2019); Brede et al. (2025)

In table one, the dimensions relevant to integration implementation and planning identified from prior literature are summarized. The first dimension of organizational factors highlights the importance of management when a company expands its employee base, especially beyond its borders. Information systems highlight the importance of functioning IS and other tools used to conduct operations with internal and external stakeholders. Additionally, an efficient information system is needed as the physical distance between internal stakeholders increases. Digitalization and Industry 4.0's current state and effects on integration is currently limited, but can, in the future, become more critical dimensions for consideration. Lastly, the cultural, national, and organizational aspects are presented, along with how they should be considered.

2.3 The Best Practices for Post-M&A Integration

Cording et al. (2008), Thomas et al. (2023), Kroon et al. (2022), Brueller et al. (2018), and Steigenberger et al. (2017) state that PMI is a notable and complex event in a company's lifecycle, causing uncertainty in all dimensions of the company structure, and Angwin et al. (2023) continue that despite a century of research in M&As, there is still a relatively poor understanding of M&As as a phenomenon. Kato & Schoenberg (2014) further note that the PMI process may cause negative disruptions towards suppliers, and these disruption risks can be mitigated by assigning a management team to the supplier and handling the communication and issues. Kato & Schoenberg (2014) continue by emphasizing the need to minimize the absolute change that the supplier experiences, and lastly, the need for completing IS integration before operations fully start, for ensuring a stable platform. Steigenberger & Ebers (2023) highlight the overall importance of clear goal setting and proper team staffing for the integration management team for high integration performance. Additionally, depending on the selected integration goal, the involvement of the acquired company's personnel should be considered. Moreover, Cording et al. (2008) emphasize the need for flexible blueprints for performing the integration and using intermediate goals for reducing intrafirm linkage ambiguity (i.e. the uncertainty how action specific actions lead to desired outcomes) due to its effect of breaking down complex integration decisions into more manageable segments. Lastly, Brueller et al. (2018) stress the importance of considering the wanted outcome of the M&A and selecting the integration strategy accordingly, Brueller et al. (2018) classify three distinct outcome strategies which are annex & assimilate (absorbing assets), harvest & protect (absorbing capabilities and assets), and link & promote (shared fusion). In following sub-chapters there is a breakdown of the aspects that should be considered when performing a PMI for ensuring the best practices.

2.3.1 The Importance of Interaction and Engagement

Kroon et al. (2022) emphasize the importance of managers making clear integration decisions early in the process, thereby initiating a more dynamic integration process and facilitating the realization of cost and revenue synergies. They continue by stating that management needs to consider the consequences of hard (i.e., the use of authority of the

acquiring company) and soft (i.e., human management approach) integration methods that have effects on positive inter-group interaction and negative inter-group competition. Kroon et al. (2022) note that the mentioned dynamics can be mitigated or aggravated by the use of power (i.e, the extent to which the acquiring company uses its power in integration decision-making) and social (i.e., the activities organized aimed at strengthening relationships between both firms) and formal integration methods. Teerikangas & Thanos (2018) argue that deeper integration can be achieved by the acquiring company being open to possible reverse integration, thereby capturing the acquired company's valuable knowledge. Moreover, Teerikangas et al. (2018) support the view on the importance of soft integration if adverse emotional reactions, employee motivation levels, organizational fit, national culture, and linguistic differences are not considered, they will likely act as sources of value leakage.

Furthermore, King et al. (2020) support Kroon et al.'s (2022) view on the importance of manager decision-making; however, they add that top managers should practice organizational justice and honor implicit contracts. King et al. (2020) continue that middle managers' involvement is crucial for fast task integration (i.e. task integration centers on combining functions to enhance efficiency and coordination while enabling the transfer and sharing of resources and capabilities) and lowering employee resistance alongside it. In contrast, King et al. (2020) note that human integration (i.e. human integration aligns HR practices and cultures to build shared identity and positive attitudes) should be approached more slowly than task resistance to achieve lower employee resistance; however, intense middle management presence is still beneficial. Lastly, they note that slow task integration increases employee resistance and political behavior. Moreover, Birollo & Teerikangas (2019) emphasize the importance of evolving the acquired company's management early in the integration projects. The involvement boosts information sharing and the acquired company's management's reinsertion into the company's strategy after the merged organization.

Allatta & Singh (2011) found that, even as a transformative event such as M&A doesn't immediately disrupt communication routines in the target company. Allatta & Singh (2011) present in their study that cross-firm communication took two years to peak and after that reversed back to an intermediate level, similar to a U-shaped pattern. They emphasize the importance of pre-operation integration communication coordination's role for a more

efficient level of cross-firm communication. Allatta & Singh (2011) point out that simply having a common knowledge base did not increase cross-firm communication. Lastly, Allatta & Singh (2011) highlight the crucial role of task interdependence in expanding the communication network among employees of the target company. Chen et al. (2010) and Moffat & McLean (2010) support the task interdependence view by suggesting fostering cross-company communication with working procedures that require interaction and face-to-face meetings as well as network building.

Interaction and engagement can be used as mobilization and mitigation tools to foster a positive outlook on integration from the employee perspective. Dick et al. (2006) note that organizational identity is reshaped during a merger, thereby changing employees' perceptions of the identity. Colman & Lunnan (2011) and Langley et al. (2012) argue that employees engage in a form of identity work that can range from active to passive, from aggressive to accepting, thereby affecting the integration outcome. Lupina-Wegener et al. (2014) highlight the importance of providing the target company's employees with a sense of continuity, and Rouzies & Colman (2012) found that early success shapes identity in a more positive direction. Lastly, Cording et al. (2008) note that intermediate goals can serve as guidance and provide continuity for early success. Moreover, Bauer & Matzler (2014) found that when both parties in the M&A process share similar organizational cultures, there is less integration effort. However, Bauer & Matzler (2014) explain that cultural similarities can serve as a degree of substitute for integration, as cultural norms provide a common understanding, shared norms, and coordinated behavior.

2.3.2 Information System Decisions and Capabilities

Henningsson et al. (2018), Benitez et al. (2018), Aboagye-Darko et al. (2024), Tanriverdi & Bülent Uysal (2015), and Hedman & Sarker (2015) highlight the effect of IS capabilities of both parties when performing a PMI and its effect on operational activities, and the effect of the chosen IS integration method. Hedman & Sarker (2015) and Henningsson & Yetton (2013) add that the IS capabilities include ERP, application programming interface, data warehousing, and enterprise application integration, as well as integration strategies such as IS renewal, IS absorption, and IS coexistence. According to Mahmood et al. (2020), common sources of ERP issues and challenges included data conversion and migration, top

management approach, system integration, training and development, change management, project management, organizational culture, and effective communication. All these aspects will be present during PMI of IS. However, Benitez et al. (2018) argue that companies can develop their post-M&A IS integration capabilities, thereby allowing more flexibility in seizing opportunities in M&As and creating business value. Johansson et al. (2023) emphasize the need for readiness on day one after the M&A, meaning that both parties have efficient communication channels, short- and long-term integration plans on both technical and cultural aspects, and decisions on which IS components will be retired and which will be reinvested in. They add that having a plan for the target company's legacy system is important. However, relying on an outdated system will lead to technical debt and possible high long-term costs in the future.

Cao et al. (2022) and Baker & Niederman (2014) stress the importance of due diligence (DD) on IS before the actual merger. They continue that the more inside information there is about the target company, the more accurately resources and integration strategies can be selected. Cao et al. (2022) further note that companies with high IS standardization (i.e., the degree of unification of their current IS) and high IS extensiveness (i.e., the scope of IS implementation) have a more accurate picture of the potential synergy value and integration costs. Given the complexities of IS integration decisions, Baker & Niederman (2014) and Henningsson & Yetton. (2013) propose several combinations of M&A strategy and IS integration strategies. The pairings used by Wijnhoven et al. (2006) transformation, consolidation, combination, and coexistence integration strategies, combined with their absorption, symbiosis, and preservation outlooks; see the pairing matrix figure two. Each of these approaches aligns loosely with Christensen et al.'s (2011) discussion of M&As' goals to improve current operations. Each pairing has its own characteristics, which are introduced in the following sections. The pairings can be utilized as a framework for assessing and identifying integration options in each M&A context.

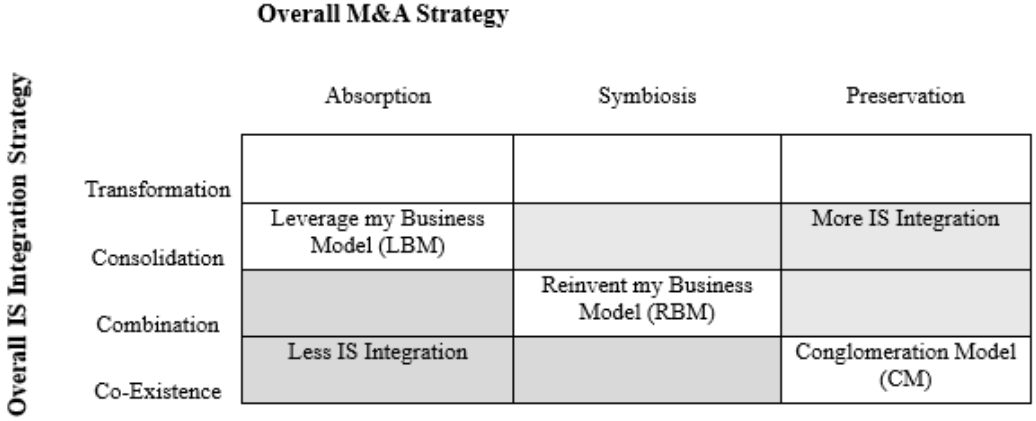

Figure 2: M&A Strategy. Adopted from (Baker & Niederman 2014).

The **absorption-consolidation** pair, also known as "leverage my business model" (LBM), seeks to assimilate the target firm's IS into the acquiring firm and thereby complement the M&A strategy of subsuming the target firm (Baker & Niederman 2014). Christensen et al. (2011) describe this strategy's emphasis on assessment of assets and thereby deciding which components to retain primarily based on cost. Baker & Niederman (2014) add that this approach aims to merge or absorb target company operations into the acquirer's processes and retain key personnel from the target company to ensure a smoother transition. Baker & Niederman (2014) note that the main challenge in this approach is data integration and the risk of moving too quickly, which can lead to costly revisions or disrupted operations. Henningsson & Kettinger (2016) found that when absorbing target firms' information systems can lead to loss of its unique capabilities, especially under time pressure.

The next pair is **symbiosis-combination,** correspondingly known as "Reinvent my Business Model" (RBM). The goal of this strategy is to integrate the best aspects of both parties' IS systems and create a more competitive system (Baker & Niederman 2014). However, this strategy requires long-term personnel retention and long-term business-value creation-oriented decisions rather than short-term cost-saving decisions. Moreover, this approach is complex due to the need to combine two different systems, people, and processes, which can cause significant challenges (Baker & Niederman 2014). Henningsson & Kettinger (2016) support this view of complexity and point out that technical and social components do not blend well. They continue that if the blend is not maintained appropriately staff can start to perform workarounds from processes since implementation can be too slow.

Conglomeration Model (CM) – the **preservation-coexistence** strategy's goal is to keep both parties' IS systems independent while integrating them in the least intrusive manner possible. Coexistence keeps both systems intact, thereby maximizing the value of the combined company (Wijnhoven et al. 2006). Simultaneously, the operations and structure are kept separate. However, keeping two systems in parallel can lead to inefficiency and loss of synergies (Baker & Niederman 2014). Additionally, Henningsson & Kettinger (2016) note that two parallel systems may cause complexities in the future and cause asymmetries when IS changes are done leading to operational inefficiencies and staff demoralization.

Wijnhoven et al. (2006) point out that in the transformation cells in figure two, the company seeks to replace its entire IS system for both parties. (Baker & Niederman 2014) note that the transformation strategy is less popular due to the complexity of replacing two legacy information systems simultaneously and in the middle of the M&A process. Henningsson & Kettinger (2016) added that if the information system were to be renewed there should be no rush in the execution of the transformation project. They continue that rushed implementation can cause devastating outcomes. However, they argue that they can introduce improved ways of working and innovations. In the lower left portion of the matrix, the M&A strategy does not align with the IS integration strategy, leaving IS less integrated compared to the overall M&A integration approach. In contrast figure two's the upper right corner, shows strategies in which the M&A strategy is less integrated, but the IS are more tightly integrated (Baker & Niederman 2014).

2.3.3 Optimal Operations Continuum Path

Gomes et al. (2013), Angwin & Urs (2014), and Steigenberger (2017) point out that the value created from M&A after the integration and operational side should be thought of in detail, to avoid problematic operational continuity which negatively affects internal and external stakeholders, such as employees and suppliers. Angwin & Urs (2014) argue that superimposing (e.g. replacing the target company's routines with the acquirer's), combining (e.g. merging components of both routines and maintaining distinct elements), and stabilizing (e.g. new routine or structural change for stabilizing current operation) operational routines have their ups and downs from internal and external perspectives. They continue that superimposing a new routine on the target company may cause problems with

its suppliers, since they must also adapt to new processes while making internal operations more efficient. On the contrary, Angwin & Urs (2014) add that combining routines may cause ballooning of operations costs and workarounds, especially if information system integration encompasses problems and routines are already deviant from each other. However, this approach may leave external parties such as suppliers undisturbed due to the new ways of working (Angwin & Urs 2014).

The speed of integration should be considered since slow and fast pace of integration have different effects on operations and employees, (Shim 2011) note that integration can take years to complete. Bauer & Matzler (2014) point out that the length of the M&A process depends on integration depth, M&A experience, and both parties strategic complementary. However, Uzelac et al. (2016) and Steigenberger (2017) add that the pace of integration is in some degree management's and (Cording et al. 2008) internal stakeholder's decision. According to King et al. (2020) fast task integration managed by middle management reduces employee resistance, however in contrast the opposite is true for human integration. They add that there is no specific combination of human and task integration for the most optimal result.

Kato & Schoenberg (2014) report that having an explicit communication strategy around the merger that extends out to external stakeholders such as suppliers is critical for maintaining service performance and reducing stakeholder anxieties. Kato & Schoenberg (2014) continue by noting that implementing such a communication strategy may not be completely simple, since managers responsible for supplier communication may be also under pressure and have only partial information at their disposal. They add that senior executives' attention in internal communication is needed for timely and comprehensive communication for establishing a precursor for smooth external stakeholder communication.

Finally, Sunder & Linderman (2024) have explored the importance of cumulative capabilities. They emphasize the importance of developing operational excellence and maintaining it by adopting new capabilities and developing them cumulatively in sequences. Furthermore, Sunder & Linderman (2024) argue that companies that can discover, improve, align, and transform capabilities sustain their competitive advantage. According to Sunder & Linderman (2024), Discover provides firms with situational awareness, improve acts on this knowledge, align ensures that these efforts match with organizational assets, and transform into institutionalized agility to adapt to market changes. To ensure future

operational excellence in PMI scenarios, adopting a cumulative capability philosophy could be advantageous. Sunder & Linderman's (2024) findings further complement or build on scholars who have developed and studied similar capability development models, such as Teece (2018), Sunder & Modukuri (2024), and Lee (2004).

Table 2: PMI Themes.

Theme	Article and Theme Characteristics	Article
Decision-Making and Leadership	Early and clear integration decisions, Top management direction and governance clarity, Role of middle management in task integration, Use of authority (hard integration) vs relational leadership (soft integration), Alignment between integration goals and operational execution, Structured milestone setting to reduce ambiguity.	(Cording et al. 2008; Birollo & Teerikangas 2019; Johansson et al. 2023; Baker & Niederman 2014; Kroon et al. 2022; Gomes et al. 2013; Angwin & Urs 2014; Shim 2011; Uzelac et al. 2016)
Integration Speed	Fast vs gradual integration trade-offs, Speed impact on employee resistance, Pace dependent on integration depth and strategic complementarity, Management-controlled tempo of implementation, Risk of operational disruption with overly rapid integration, Prolonged integration leading to uncertainty and inefficiency.	(Thomas et al. 2023; King et al. 2020; Bauer & Matzler 2014; Shim 2011; Uzelac et al. 2016)
Integration Approach and Depth	Degree of structural and operational integration, Absorption, symbiosis, preservation logics, Superimposing vs combining routines, Strategic intent (cost synergies vs capability development), Task vs human integration sequencing, Balance between standardization and autonomy. Maintaining operational excellence with cumulative capability approach.	Kroon et al. (2022); Steigenberger (2017); Angwin et al. (2023); Teerikangas & Thanos (2018); Bauer & Matzler (2014); Cao et al. (2022); Baker & Niederman (2014); Christensen et al. (2011); Angwin & Urs (2014; Sunder & Linderman (2024)
Human Resource Management Approach During PMI	Staffing of integration teams, Retention of key personnel, Alignment of HR practices, Managing employee resistance, Organizational justice and fairness perceptions, Role clarity and responsibility allocation.	Brueller et al. (2018); Steigenberger & Ebers (2023); King et al. (2020); Uzelac et al. (2016)
PMI Effect on External Stakeholders	Supplier relationship continuity, Minimizing disruption to external partners, Dedicated management for supplier communication, Stability of service performance, Communication transparency toward stakeholders.	Kato & Shoenberg (2014); Johansson et al. (2023); Gomes et al. (2013)
Internal Communication During PMI	Cross-firm communication networks, Task interdependence driving communication intensity, Early communication coordination, Face-to-face interaction and network building, Information transparency to reduce uncertainty, Identity-sensitive communication.	Allatta & Singh (2011); Chen et al. (2010); Moffat & McLean (2010); Dick et al. (2006); Lupina-Wegener et al. (2014); Johansson et al. (2023)
Employee and Company Identity	Identity reconstruction during merger, Continuity vs disruption perception, Employee engagement and identity work, Early symbolic successes shaping integration attitude, shared organizational identity development.	Colman & Lunnan (2011); Dick et al. (2006); Langley et al. (2012); Lupina-Wegener et al. (2014); Rouzies & Colman (2012); Uzelac et al. (2016)
Company and National Culture's Effect on Integration	Organizational vs national cultural distance, Cultural similarity reducing integration effort, Cultural friction as source of resistance, Cultural diversity as learning opportunity, Influence on behavioral norms and decision processes.	Bauer & Matzler (2014); Johansson et al. (2023)
Information System Integration	IS absorption, symbiosis, coexistence, transformation strategies, ERP data migration and system compatibility challenges, IS due diligence before integration, Alignment between business and IS integration strategies, technical debt risk from legacy systems, Impact on operational continuity.	Henningsson et al. (2018); Aboagye-Darko et al. (2024); Tanriverdi & Bülent Uysal (2015); Hedman & Sarker (2015); Henningsson & Yetton (2013); Mahmood et al. (2020); Johansson et al. (2023); Cao et al. (2022); Baker & Niederman (2014); Wijnhoven et al. (2006); Henningsson & Kettinger (2016); Angwin & Urs (2014)
Information System Flexibility	IS capability development over time, Standardization vs extensiveness, Modular architecture enabling integration options, Ability to reconfigure systems for synergy realization, Dynamic capability perspective on IS integration.	Benitez et al. (2018); Cao et al. (2022); Baker & Niederman (2014)

Table two summarizes the literature introduced by theme. The first theme is decision-making and the effect of leadership on integration. The previous research indicates the importance of early decision-making, strong direction from management, and the role of middle management in implementing objectives into operational tasks. Moreover, the following themes consider the speed of integration and the chosen integration method. Overly aggressive, ambitious integration speed and depth may turn on itself. Both aspects should be considered accordingly. Employee and communication-related themes are also central to the best integration practices. Integration, retaining personnel, and allocating roles are aspects discussed. Furthermore, the importance of communication and its effect on management and enabling effective information flow is also discussed in previous literature. Lastly, table two's literature emphasizes technological and external stakeholder considerations, information system integration, and a notable body of prior research on its importance for operational continuity.

3. Research Methodology

This chapter outlines the selected research methodology and the approaches used to conduct the empirical component of the study. It discusses the reasoning for the chosen research method, the data collection process, the content analysis procedure, and considerations of data validity and reliability.

3.1 Research Method

The research methodology used for this thesis is qualitative and more specifically the grounded theory method, targeting to answer how and why. According to Creswell (2024, 4), a qualitative study is an approach to exploring and understanding the meaning of selected themes, gathering data around those themes, and interpreting the gathered data. Creswell (2024, 5-7) continues that a qualitative approach provides a flexible structure for an inductive approach uncovering the complexity of the research subject. Hennik (2020, 10) adds that qualitative research allows for examining people's experiences in detail and is ideal for investigating complex, context-dependent issues and discovering even nuanced details from them. Some research questions cannot be answered through quantitative methods, for example this study focuses on post-M&A integration methods and this event is relatively rare for almost any company thus making it difficult to study with a quantitative approach since there is not enough quantitative data on the subject.

This thesis adopts an interview-based case study approach, conducting interviews with the case company's experts who have performed several integrations across different positions, and with one outside company expert with broad experience in procurement outside the target company. Thus, enabling a more multifaceted view. This choice is motivated by the aim of gaining a broader understanding of the subject rather than focusing solely on a single case company data. Given that the study seeks to explore current integration practices and future best practices, semi-structured interviews were selected as the primary data collection method. Semi-structured interviews allow for posing open-ended questions while remaining flexible enough to explore new themes that emerge during the interview process (Hennik 2020, 116). Due to the exploratory nature of the study, this interview format is particularly

appropriate, as it facilitates follow-up questions on topics of interest that arise during the interviews (Hennik 2020, 116). Although the interviews may not strictly follow the interview guide, the same questions will be asked with consistent wording across all interviews. This balance between flexibility and structure enhances the comparability of the interviews.

3.2 Interviews

All semi-structured interviews vary in terms of degree in form and structure (Hennik 2020, 116). This study uses preset questionnaires that were made available to interviewees beforehand, allowing for open conversation and spontaneous questions to further scope the interviewees' knowledge. As this research involves multiple interviewees from different specialization areas, the questions were shaped accordingly. The interviewees were held in Finnish, which is the mother tongue of the interview participants. The English version of the interview script is provided in Appendix one. It was developed based on existing research and academic literature. As the interviews were semi-structured, participants could focus on questions more relevant to their expertise. The interviews ranged from 41 to 60 minutes, averaging 53 minutes.

Table 3: Interview Information.

Interviewee	Role	Interview Duration	Secondary Data
Participant 1	IT Specialist	60 minutes	Internal Documents
Participant 2	IT Specialist	60 minutes	Internal Documents
Participant 3	Manager	50 minutes	Internal Documents
Participant 4	Manager	54 minutes	Internal Documents
Participant 5	Senior Manager	41 minutes	Internal Documents
Participant 6	Consult	50 minutes	External Documents

Research data was captured through five interviews from the target company and one from outside of the company to grasp an outside view of the best practices for the integration process used in other companies. All five case company interview participants did vary from position and title and their role in the integration process thus providing a more multifaceted experience pool where to draw more holistically sophisticated experiences in order to capture the best possible integration practices. Interviews were transcribed alongside with video and audio to ensure the preciseness of the answers with permission from the

participants. Additionally, the interviews were reviewed several times to guarantee the accuracy of the transcripts. Text was anonymized for ensuring the confidentiality of the participants.

According to Eisenhardt & Graebner (2007) the challenge of interview data collection can be that the participants have a retrospective sensemaking which may bias the data. They continue that it can be best mitigated by interviewing broad range of knowledgeable informants who view the focal phenomena from wide perspective. They add that the informants can include actors from different hierarchical levels, functions, groups and geographies as well as outside observers. And this way it is more unlikely that the informants will engage in in united false retrospective. This research seeks to follow these notations.

3.3 Content Analysis

The collected data was analyzed using grounded theory methodology, in which analysis proceeds inductively to develop a theory grounded in empirical material. The method is described as ideal for facilitating theoretical work in areas that have not been well researched by others (Simmons 2022). Since previous research has not specifically studied the best practices for direct purchasing during PMI in detail, it is reasonable to utilize grounded theory. Furthermore, grounded theory does not require pre-existing theory for conducting analysis rather, it uses data to develop new theories or further refine existing ones, making it a suitable approach for this study (Strauss & Corbin 1994).

Grounded theory is a research approach based on the systematic collection and analysis of data. Data analysis begins after the initial data collection and proceeds through a structured coding process. First, the data is broken down into smaller components and coded. These codes are then grouped into concepts, which are further developed into broader categories that are central to the phenomenon under study. Throughout the analytical process, data is continuously compared to identify similarities and differences. Data collection and coding proceed iteratively until theoretical saturation is reached, meaning that no new significant insights emerge from the data. Once saturation has been achieved, a substantive theory is developed by integrating the key categories and examining their relationships (Charmaz 2014, 17).

Specifically, the transcribed interview data was coded according to grounded theory principles. The data were analyzed in NVivo, where the interviews were imported. This study follows the grounded theory method by Strauss and Corbin (1990), using both inductive and deductive reasoning to draft initial categories and thereby initiating the iterative coding process, allowing new concepts or theories to emerge from the data. The initial level categories included current integration practices and interviewees' ideas for the best future practices. Second, open coding yielded additional first-level categories from the group coding of phrases, sentences, and paragraphs. The first-order categories were then refined through axial coding, with codes deleted and regrouped to create second-tier categories. After this, the analysis was conducted to identify the best practices for integration. The code tree is shown in appendix two. The coding does not include P6 interview comments. The consultants' comments are used to validate the target company's internal responses and their views on potential best practices for integration. This way, there can be a level of validation to identify the best integration practices that align with an outside party and those that do not.

3.4 Reliability and Validity

A summary of most notable reliability and validity aspects of this study can be found in table four. Saunders et al. (2016, 202) note that reliability and validity are notable factors in research quality. Reliability and validity can be divided into internal and external segments. Internal reliability refers to the consistency of research throughout the project. The consistency can be about how the interviews are held or how the data coding is conducted. It is important that the variance is being minimized for ensuring stability of the results (Saunders et al. (2016, 202). External reliability is about the replicability of the study, which can be particularly difficult to achieve in this thesis, since interviews occur in social situations. Additionally, replication difficulty is increased due to researcher's possible subjective perspective and biases (Bryman & Bell 2015). External reliability refers to whether the data collection methods and analytic practices would produce replicable results if they were repeated by the same study conductor or by a different researcher. In this thesis, biases are sought to be prevented by accurate transcriptions and analysis based on earlier research. External reliability can be challenging to ensure since it can be due to participant error or bias, and researcher error or bias (Saunders et al. 2016, 202-203).

Internal validity seeks to find an accurate causal relationship between two variables in research. Internal validity is more straightforward to state in quantitative study in form of statistical correlation. However, there are universal threats that can turn research data invalid such as past or recent events, participants knowledge of the study, subjects' withdrawal from the study to name a few (Saunders et al. 2016, 203-204). Alternatively, external validity refers to the discipline to which the results can be generalized. Finally, Yin (2014, 45) explains that construct validity refers to the correct operational methods of the research and therefore ensures that the study is measuring the targeted concept as it claims to be measuring.

Table 4: Reliability & Validity.

Measure	Impact
Internal Reliability	Systematic interview procedures, accurate transcriptions, and consistent coding were applied. However, single-researcher data collection and analysis may introduce subjective bias.
External Reliability	Data collection and analysis were transparently described and interviews are fully traceable, yet the social nature of interviews and potential participant or researcher bias limit full replicability.
Internal Validity	Multiple informants and alignment with prior research support credibility, although the qualitative design restricts causal inference and contextual factors may influence responses.
External Validity	Findings are analytically generalizable to similar procurement integration contexts, but the case-specific setting limits broader generalization.
Construct Validity	Supervisory review, traceable interview material, and cross-case thematic coding strengthen construct validity, while tailored interview questions may create minor variation in emphasis.

This study includes six interviews, and this study was reviewed by supervisors, and all interviews can be traced in their entireties. Which can be seen to support the construct validity of this thesis. To be noted the questionnaire was modified to fit for the expertise of the interviewees' position. However, the questions were able to generate answers that could be generalized between each other in the coding process. It needs to be mentioned that this study is carried out by a one person including data collection and analysis thus exposing the results for individual biases. This in mind this thesis tries to limit the bias amount by using multiple informants and data from secondary sources (Kähkönen 2014).

4. Analysis and Findings

This chapter presents the empirical findings of the study by analyzing interview data in a thematic structure. The chapter begins by introducing the case company and the participants' backgrounds, after which the current integration flow is examined, along with its strengths and weaknesses. The findings are further structured around key dimensions influencing direct procurement integration, including process scalability, communication, information system integration, training and onboarding, and future best practice development. The chapter concludes with a summarized synthesis of the main results in table five.

4.1 Introduction of The Case Company

This research examines a North European technology company specializing in the development of measurement equipment and data-driven solutions. The company operates globally and has conducted several PMIs. The company's product portfolio ranges from large-scale environmental monitoring systems to smaller industrial measurement devices, serving a diverse customer base that includes private sector clients as well as public and governmental organizations. Additionally, the company operates through two primary business areas industrial measurement solutions and environmental and weather-related technologies, generating annual net sales exceeding 500 EUR million.

4.2 Participants Backgrounds

It is crucial that participants from different roles and responsibilities are included in the research (Eisenhardt & Graebner 2007). Integration advances from the company's top decision-makers to the stakeholders who perform the actual business case integration, which is created by the M&A steering team. The top decision-makers focus on the bigger picture, while the more refined stakeholders in the integration make it work at practical and system levels. This study includes interviews from all levels of integration, with individuals in different roles and with diverse experiences. Hence, table three shows two IT specialists and

two managers, one senior manager, and a consultant. Some of these titles are made purposely vague for maintaining anonymity.

Participants are briefly introduced to understand their backgrounds and eligibility for the study. All but one of the participants works for the target company. P6 works at a recognizable consultancy firm and provides consultancy on supply chain operations and has broad experience across different supply chains and integrations. All participants have experience in integration before joining the case company and have worked in multiple roles, providing a wide range of insights into integration. P1 and P2 have focused on information system integration and all aspects associated with material flow. P3 has had responsibilities for leading the actual sourcing and purchasing part of the integrations. P4 has led several integration projects and has a clear picture of the practical flow of the integration as a whole. P5 has been involved in early top-level decision-making regarding business case creation and in overseeing several integrations. Lastly, the secondary data used consisted mainly of internal documents that further supported the insights from interview answers and are confidential to the case company.

4.3 The Present Integration Flow

4.3.1 Current Integration Execution

To understand past and current integration projects, the interviewees were asked about their experiences, and the integration successes and failures were mapped. Additionally, the differences in the integration projects were discussed in detail. It was noted that each integration project differed from the others, and that there were successes and failures. Each participant had their own expertise and organizational role in the integrations, creating variability in the results. Additionally, participants shared their experiences across different integration projects. There were also overlapping experiences within the same projects and, therefore, similar perceptions of some of the integrations.

P3) ” Integrations are performed case-by-case.”

Participants' answers indicated that each integration project was carried out without a clear integration process, with the project planned individually as it progressed. However, this

approach did not necessarily lead to undesirable results in terms of integration success or participants' views on how integration was managed. Furthermore, the current usual integration management structure includes a project manager appointed by the steering committee, who have overseen the initial due diligence and business case creation for the M&A process. Since the case company is publicly traded, the pre-M&A process is conducted under a non-disclosure agreement (NDA), which severely limits the stakeholders who can participate in the DD phase, according to P1, P4, and P5. This can lead to the project manager being appointed somewhat late in the process, leaving less time to prepare in all integration segments. The next step in more refined stakeholder selection is for the project manager to select the individuals responsible for specific segments, such as sourcing and purchasing.

There was no systematic way to choose the sourcing and purchasing integration manager, appointment decisions were made on a case-by-case basis. This leads to the situation where the person or title responsible for sourcing and purchasing changes for each integration. Thus, preventing the cumulating of the expertise for any particular employee for managing this segment's integration process. This can be seen as a critical point for smooth integration, since the resource allocation for integrations is not optimal due to NDAs. Therefore, the workload can come without advance notice. At this stage of the integration process, the business case must be as clear as possible for all in management, as it enables asking the right questions and involve the desired stakeholders in the project, thus preventing the situation where key aspects are simply not understood and therefore noticed late in the integration.

At this stage, the person responsible for sourcing and purchasing must gather the relevant internal stakeholders and connect with the acquired company. The teaming process and understanding of the business being acquired are crucial for success, especially when there are significant differences in the business models and company cultures between the buyer and the acquired company. During this period, the project manager holds recurring meetings with segment managers to monitor overall progress. Furthermore, segment management has considerable flexibility in executing the integration and bears significant responsibility for its successful outcome. The participants did indicate that each integration project was unique, resulting in variations in the integration processes and participants experiences in integrations. Additionally, some participants had a limited understanding of the decision-

making hierarchy and only possessed in-depth knowledge of their respective areas of expertise.

> *P4) "In a way, the type of business we are buying affects what kind of integration it will be. If the acquired business is vastly different from our company's model the integration process is more difficult to accomplish from our point of view."*

Once the segment manager establishes the necessary stakeholders and contacts at the acquired company, the involved expert stakeholders gain considerable freedom in executing the integration and are accountable for its success. It is important to note that the workload associated with integration is typically added on top of the regular workload, thereby increasing the overall workload demands on all parties involved. Integration deadlines are often dictated by the requirements of other segments, such as financial and legal considerations. This situation necessitates operational functions adapting to the timetables set by these other requirements.

> *P2) "We've survived everything that might have been the main thing."*

However, the participants found that they had mostly managed to meet the deadlines and resolve the difficulties. It seemed largely due to an excellent internal way of working, effective communication with colleagues, and a willingness to drive the integrations through. And due to the specialists' trust in their ability to sort out problems without detailed management. According to the participants, there was no detailed documentation of the integration process and no comprehensive debriefing on its success, mistakes, and future goals.

4.3.2 Strengths and Weaknesses of the Current Approach

The current approach has its benefits and downsides. As mentioned earlier, the integration project usually is assigned on top of the normal workload and can't necessarily be anticipated. This creates time constraints on integration implementation and decision-making, which can lead to misjudgments and the neglect of important considerations in the vital ramp-up process. Especially if there is no experience in a similar integration process, the necessary thought process and considerations must start from the ground up. This

situation exposes the process for possible missteps, and thereby, some integration elements may lose valuable time resources.

> *P1) "I'm not entirely sure if there was a clear project organization in place."*

However, this current approach has enabled all actors to exercise their own judgment and decision-making, thereby maximizing flexibility and trust in the implementers of integration. At the same time, the lack of process and structure has also caused some loss of communication and limited individual actors' perceptions of the integration team's organizational structure. Meaning that individuals are not entirely aware of other stakeholders in the integration, or do not fully understand the decision-making body. This effect can cause serious issues if more refined specialists in the process do not have a channel through which to communicate potential issues related to their specialty area during the integration process. Consequently, the criticality of goal setting by the integration manager and the integration steering team, from the highest level down to the segment manager, is also essential. For example, if no goals are defined beyond completing the integration, the rest of the integration stakeholders have difficulty establishing methods for long-term procurement improvement. Thus, leaving potentially integration somewhat loose.

> *P3) "Long-term strategic goals were vague in terms of sourcing and procurement."*

This style of integration has its benefits by allowing stakeholders to concentrate on their specific expertise without unnecessary meetings and disruptions or bureaucracy. It also places the responsibility of communication on them. In the best-case scenario, this approach can be efficient. However, in the worst-case scenario, it can hinder information flow and leave stakeholders feeling uninformed. Moreover, for successful integration, it is crucial to manage the employees of the acquired company clearly. New employees should be given a thorough understanding of the acquiring company's key stakeholders and processes. Without these elements, collaboration and motivation for greater integration may suffer.

There have been overly optimistic integration goals in terms of speed and depth. As P5 discloses, this has led to permanent cases in which integration is over but not fully completed. This creates unwanted workarounds and pressure for integration. These workarounds can also cause operational problems for internal and external stakeholders, such as the warehouse and suppliers, thus decreasing the company's efficiency. In the long

run, this kind of unplanned looseness may disrupt the cohesion of the company's operational methods and fixing it afterwards can be problematic. Especially in the current geopolitical environment, it is entirely possible that manufacturing balances might shift in order deal with tariffs or uncertainty. For example, if there is no proper know-how or the necessary information systems features in place, shifting manufacturing capacity can be more resource intensive. However, each integration should evaluate its goals as honestly as possible, given its purposes and available resources.

> *P5) "There has been too ambitious or slow integration targets causing permanent limbo states after the integration."*

According to all participants, the current integration documentation method is not standardized, and it is up to each integration segment to decide for itself. This means that decisions and business models are not systematically documented, thus preventing knowledge sharing within the company or backtracking of the integration. Not documenting saves time and effort from the integration project. However, having process blueprints and the main decisions systematically saved could help all parties better understand the integration process and learn from it during the post-integration phase in future integrations.

> *P2) "The right people were involved in thinking things through at a sufficiently early stage."*

All participants interviewed stated that one of the best successes in past integrations has been that the right people and stakeholders were involved at the right stages of the integration, most of the time. The importance of this notion can't be overstated, given its effect on procurement and sourcing integration. This ability increases the integration ability of the company. It can be seen as a sign of a strong internal understanding of operations and stakeholders, which is part of the organizational culture that is important to transfer to the acquired company. Participants also unanimously agreed on the importance of cultural integration and onboarding new employees to achieve successful integration. For example, P4, P5, and P3 stated that a site visit would be most beneficial for the integration process. These mentioned elements are among the most important features to have in an organization for integration readiness and future ability for developing direct procurement operations.

4.4 Integration Dimensions to Consider

4.4.1 Process Scalability

The case company has mainly acquired smaller companies, leading to the situation where larger organizations' bureaucracies have been imposed on the smaller companies. Process scalability affects many levels, as there are a variety of reasons for the multitude of bureaucratic processes. Such as legal, risk management, and standardization. One of the problems is simply that in smaller organizations, one person often is responsible for a wider area of tasks. One person can perform decision-making on their own without many other stakeholders involved. However, in businesses of a certain size, company roles are often clearly divided. P2 mentions that the case company has divided responsibilities into distinct sections. This phenomenon affects how information systems are managed and how integration is carried out, as decision-making processes are constrained within the information system by enabling or restricting access to specific business areas within the organization. There is a significant organizational cultural difference at play when decision-making autonomy is restricted, especially in the way it limits employees' direct ability to execute tasks they have been able to perform before.

P2) "We have divided job responsibilities into small sections at our company."

Furthermore, how responsibilities are shared should also be considered in integration planning, since it's highly critical to think early about who is responsible for what in the company during integration, as well as on the acquiring company's side. This is because after the required stakeholders are gathered, the necessary teaming and understanding of the acquired company's business case can begin. When the parties involved know each other and know whom to contact about specific topics, the motivation and willingness towards integration most likely increases. On the contrary, if both sides are confused about responsibilities, it can be more demotivating and can lead to frustration on both sides. Moreover, some processes are difficult to scale down for a smaller operation. Since direct procurement can be quite straightforward, it may be simpler to keep the responsibilities as wide as possible within the acquired company, within a tolerable risk management range. This means that one person is granted more access rights to the information systems in use,

thereby affecting operational practices such as indirect purchasing, supplier management, and warehouse operations.

> *P6) "The procurement operating model must include a shared vision of key processes. It is easier to integrate a new entity into the business when the old model is clear and mature enough."*

According to P6, it takes planning and research to identify potential external and internal overlaps when setting up new procurement processes, since new or existing suppliers can affect future workload. Some functions can be transferred to the acquirer's side, thus improving the internal control aspect of fitting larger organizations' processes into a smaller operation. Possible functions that can be delegated between parties range from direct and indirect purchasing to category management level tasks. Moreover, P6 emphasizes the need for a mature procurement organization to be already in place before any integrations are performed. Meaning that the operation includes a shared vision of key processes, responsibilities are in harmony, and functional key performance indicators are established.

4.4.2 Communication

During post-acquisition integration, there is a lot of communication needed at different levels of the company's decision hierarchy. It can be thought of as communication from the integration project manager towards the segment managers. After this, there must be communication channels with the finer stakeholders performing tasks, and the whole process must include back-and-forth feedback. The back-and-forth element enables effective information sharing from stakeholders performing their specific areas of the integration to the integration manager. Internal communication has the advantage of having the same company's technical language and terminology. P3 mentions that when considering the company being acquired, this barrier must be accounted for, since communication details may not be understood fully if different new methods and terms are not explained to the acquired side's employees.

Additionally, the stakeholder structure must be clear for new employees for future operations to run smoothly. According to the participants, past communication methods have been variable, but mostly sufficient. Also, the communication channels used in past integrations

varied, and each participant had their own preferred communication method and channel. However, there could be a hierarchy of meetings or updates that reach key parties about the integration events and process, thereby making the larger picture of the integration clearer for all parties.

> *P3) "When two different corporate cultures meet it takes time that we speak the same language to some extent and find common goals, that's how it is. When a big company comes along with bureaucracy, you can no longer do this thing yourself. It can only be done with three other people to do the same things, so it can feel challenging."*
>
> *P4)" Continuous monitoring and dialogue is critical."*

Involving the necessary parties and communicating constantly are key points that P4 brought up. This includes the acquired firms' stakeholders by including them and understanding them step by step throughout the process. This way, it is more consistent to know what works and what does not, and it simultaneously pushes forward people integration. Making decisions in a more closed group and releasing news without further consolidating stakeholders could lead to distrust and skepticism about the integration process. Additionally, key perspectives could be left out of the decision-making process, leading to costly mistakes. P4 also highlights that new employees should be promptly included in acquiring organizations' teams, thus allowing them to fully participate in the integration. And this approach should be used in future integrations. P5 notes that communicating more than necessary is better than communicating too little. However, there must be a line where signals sent have a clear purpose and are not just drowned out by unnecessary information, thus lowering the effectiveness of communication.

> *P5) "Preferably communicate a little too much rather than too little."*

Moreover, supplier communication must be taken into consideration when performing the integration. To maintain operational continuity and good terms with the acquired company's suppliers, they should be notified of any changes in operating procedures related to the integration, and their questions should be answered.

The company-wide communication about the integration process can be useful. Since the specific knowledge about the finer stakeholders involved in the integration process evolves during the integration process, some level of detailed information can be shared with a wide

range of internal employees. Since possible employees involved in the process may start forming ideas and preparing their workload. P6 notes that, in most cases, the communication plan cannot be determined accurately in advance. The key factor is that the business case is strong enough that procurement stakeholders can work on integrating it into the business plan, which also simplifies communication within the integration team. P6 also supports the view that it is critical to signal the suppliers about the ongoing integration, especially the strategic suppliers. However, it can be quite simple in the form of an email that clarifies the integration's practical impacts and the necessary actions for suppliers.

4.4.3 Information System Integration

One of the major parts of the integration is the possible information system integration. Especially if the full implementation is completed, it will require significant resources from both parties and affect all other areas of integration. Additionally, IT specialists are required, and a clear business model should be in place before the actual information system integration can begin. According to P1 and P2, most integrations have accounted for information system integration early in the project. There is a wide range of parameters to consider when implementing a direct purchasing ERP, especially if the business model differs significantly from the acquirer's. One of the most time-consuming parts can also be data transfer to the new ERP installed. This process is heavily dependent on the system and data management in place in the acquired company.

> *P2) "If there are a lot of unanswered questions we can't really plan anything from (ERP) perspective, in terms of integration. I would say that everything starts from the core, from understanding the business model."*

The integration of the information system is one of the most critical decisions in any integration project, so it is important to carefully consider the implementation details in advance. P5 explained that when the decision is made to integrate an ERP system, it can slow down many other integration tasks. This slowdown occurs because those tasks need to be planned from the ERP perspective, which requires both time and resources. However, it is often anticipated that the ERP integration will lead to future operational efficiency gains and a more cohesive overall integration outcome.

Direct purchasing ERP features can be integrated relatively lightly or more heavily, the need for more advanced features is necessary only if the integrated company has complex or large-scale manufacturing operations to run. This aspect is one of the key criteria to consider for full ERP integration, since if there is notable manufacturing in place, the ERP integration synergy gains could be substantial. Moreover, the target company's supplier network can also affect the decision, since overlapping or dependent suppliers are more likely to be easier to integrate into the ERP portals required. However, the lighter integration could mean that more advanced features are not implemented, but the monitoring of invoicing and assets is made more transparent for the company's accounting needs.

As mentioned before, the ERP integration dictates the integration flow, meaning employees need to be trained to use the ERP and other parts of the IS, which takes resources away from the buyer company's integrating parties. The training must be taken to a level where the target company has, preferably, the number of system specialists needed to support other employees in the organization in information system development and problem situations. This way, IS integration is set for continuous improvement rather than being implemented without further development plans. ERP training links closely to the previously discussed process scalability, since task delegation and responsibilities are also distributed through the ERP. The task allocation through IS increases the company's overall control and risk management. However, it can narrow know-how and efficiency within the integrated company and also cause management resistance to change, as it can hinder the way of operating compared to the old system. P6 summarizes key aspects of ERP integration, considering data migration, product structures, and ERP similarities. These aspects should not be overlooked when assessing the smoothness of the procurement ramp-up.

4.4.4 Training and Onboarding

To ensure operational continuity and avoid slow integration, the investment in training and onboarding should not be underestimated. Additionally, this lays the groundwork for future development opportunities and reduces the risk of stagnation and of repeating the same level of operations as before. In the end, if employees are not taken into consideration, all other aspects of procurement do not live up to their full potential. One of the most substantial parts is to clearly define stakeholder responsibilities and communicate them to increase

information flow and reduce the effort required to find the right internal contact. Since bureaucracy increases, one of the best ways to decrease inefficiency is to increase communication efficiency.

> *P3) "I think it's quite important to talk with the people from the target company for understanding each other operations, and I think it is beneficial to visit their plant and see the world they work in."*

Having clear stakeholder connections and responsibilities further strengthens connections within the organization and helps colleagues get to know one another, improving procurement efficiency and speeding up onboarding. Additionally, gaining a better understanding of the business being acquired helps create processes and methods that are fit for the organization. Furthermore, site visits are among the best ways to help the new team understand and get to know each other. It is possible that site visits fast-track people integration compared to the situation where both parties never meet in person and therefore may build a basic understanding of each other over several years. One important aspect when both parties communicate is that the acquired company's employees are introduced to the terminology used by the buyer company. Additionally, introducing the company's policies and procedures is essential. This further increases understanding of each other and the use of the same spoken company language. Without it, the training and onboarding may fall short of the full potential.

By speaking the same business language, the benefits of information system integration are notable, as it's more efficient to develop the system together and tailor it to the business's needs. Additionally, there are usually substantial data transfer requirements from the old to the new system, which require sufficient technical terminology knowledge. By having both parties on the same page with the new information systems terms and possibilities, the whole migration process can be smoother. Likely, the acquired company's representatives do not understand the business opportunities or terminology, which can make integration execution time-consuming and inefficient.

According to P6, the acquirer must have its processes documented in an explicit format for clarity and to pitch the new methods to the integrated party. P6 adds that training key members of the target company can be the most effective way to ensure the integration process, since having a new person dictate new working methods can be counterproductive.

Having the person already in the old organization being trained keeps local knowledge in the company. Additionally, improving new employees' ownership levels increases their integration into the acquirer's processes and methods.

4.4.5 Future Best Practices and Lessons Learned Model

All the interviewees stated that the direct purchasing ramp-up scenario would benefit from an integration framework that provides initial steps and processes. Additionally, participants unanimously agreed that the model should be in a format that supports continuous improvement and is flexible enough to accommodate a wide range of integration cases. Moreover, the model would require a documentation component, which would add to the integration workload. The documentation is mandatory for tracking integration phases and progress. It must be noted that the framework should be as light as possible in terms of workload, since the integration processes are already an ad hoc burden for all parties involved.

> *P4) "There should be a built-in operating process which includes a continuous lessons learned method, not just waiting for the project to end. And there should be a standard way of constantly reviewing what we do to see what works. What we need to change or do better."*

A key insight from P4 and P3 interviewees is that the future model needs to compel integration stakeholders to ask all necessary questions to ensure smooth integration processes that include future procurement requirements. Meaning that as the acquired company's procurement activities merge with the acquirer, there is the necessary know-how to develop the direct purchasing operations forward and adopt the acquirer's best technologies and practices. Thus, avoiding the situation where the acquired company starts to stagnate or even decreases its achieved procurement maturity. The model's three main requirements are to continuously improve, ensure solid integration whenever possible, and integrate new employees into the procurement organization.

According to P3, P4, and P5, the integration model's optimal start line is when the integration manager appoints the party responsible for sourcing and procurement. The person responsible for sourcing and procurement could use the framework as a blueprint and

challenge the integration goals at both the high level and in the details. Thus, it creates a more comprehensive approach and lessens the need for improvised decision-making. The integration would still be in the form of a project, but the framework would serve as a tool that retains all lessons learned and continues to evolve after each integration case. Additionally, the framework can be used to backtrack the steps taken in the integration. In a sense, the framework would offer the best integration practices for a wide range of variables.

Table 5: Summary of Results and Findings.

Category	Findings	Participant Quotes
Current Integration Execution	Integration projects are conducted case-by-case without a standardized framework. Segment managers are appointed after due diligence due to NDA restrictions, limiting early preparation. Responsibility allocation for sourcing and procurement varies between projects, preventing cumulative learning. Integration work is added on top of normal workload, and deadlines are often driven by financial and legal requirements. Despite structural limitations, integrations generally meet deadlines due to strong internal collaboration and trust-based autonomy. Documentation and formal debrief practices are largely absent.	*P3) "Integrations are performed case-by-case.", P2) "We've survived everything that might have been the main thing."*
Strengths and Weaknesses of the Current Approach	Strengths: Flexibility, autonomy, trust in experts, and relatively early involvement of key stakeholders. Strong internal understanding of operations supports execution. Weaknesses: Lack of formal project organization, unclear long-term procurement goals, inconsistent communication structures, overly ambitious or misaligned integration targets, and absence of standardized documentation. This can result in inefficiencies and temporary "limbo" states.	*P2) "The right people were involved in thinking things through at a sufficientl....", P3) "Long-term strategic goals were vague in terms of ....", P5) "There has been too ambitious or slow integration targets causing ..."*
Process Scalability	Integration often involves imposing a larger organization's bureaucratic structure onto smaller acquired firms. Divided responsibilities, ERP-based access control, and stricter governance may reduce autonomy and create cultural friction. Clear responsibility mapping and early stakeholder identification are critical. A mature procurement operating model with defined KPIs, shared vision, and explicit responsibilities is considered a prerequisite for optimal scalable integration.	*P2) "We have divided job responsibilities into small section..", P6) "The procurement operating model must include a shared vision of key processes, the employee responsibilities in this context, and KPIs."*
Communication	Communication is sufficient and continuous. Success depends on active dialogue between project managers, segment managers, acquired company, operational stakeholders, and suppliers. Overcommunication is preferred over under communication, but clarity of purpose is essential. Cultural and terminology differences must be addressed explicitly. Supplier communication is necessary to maintain operational continuity. Communication plans cannot always be fully predefined and must evolve alongside the business case clarity.	*P4) "Continuous monitoring and dialogue is critical.", P5) "Preferably communicate a little too much rather than too little.", P3) "When two different corporate cultures meet it takes time that we speak the same language to ..."*
Information System Integration	ERP integration is one of the most influential decisions in the integration process and often dictates overall project flow. A clear business model understanding is required before ERP planning can proceed. Data migration, system compatibility, product structures, and supplier overlap significantly affect integration complexity. ERP integration requires significant training and resource allocation but improves control, transparency, and long-term efficiency.	*P2) "If there are a lot of unanswered questions we can't really plan anything from S/4 perspective…"*
Training and Onboarding	Training and onboarding are critical for operational continuity and long-term integration success. Clear role definition, shared terminology, and cultural alignment enhance integration efficiency. Site visits and personal interaction significantly accelerate people integration. Training key individuals from the acquired firm improves ownership and reduces resistance to change. Explicit documentation of processes improves clarity and integration maturity.	*P3) "I think it's quite important to talk with the people from the target company… beneficial to visit their plant."*
Future Best Practices and Lessons Learned Model	All participants supported developing a lightweight but structured integration framework. The model should include standardized documentation, continuous lessons learned mechanisms, flexibility for different integration types, and structured question prompts to ensure procurement readiness. The framework should begin when the sourcing and procurement lead is appointed and evolve after each integration case.	*P4) "There should be a built-in operating process which includes a continuous lessons learned method…"*

Table five summarizes results and findings regarding the current integration methods used in the case company as well as the best practices identified for future integrations. Table synthesizes the analysis and findings followingly. Sourcing and procurement integrations are currently conducted on a case-by-case basis, without a standardized framework, resulting in inconsistent practices and limited organizational learning. While strong collaboration, flexibility, and trust help projects meet deadlines, the absence of formal processes, documentation, and clear long-term procurement objectives creates inefficiencies and miss steps are possible and future developments goals are left therefore vague. The possible complexity of integration is further increased by decisions related to ERP systems, cultural differences, and unclear role allocation. Although effective communication, training, and early procurement stakeholders' involvement can mitigate some of these issues, the overall findings underscore the need for a lightweight, standardized framework with process steps, and mechanisms for continuous learning.

5. Discussions

The purpose of this study was to identify the best practices for ramping up direct purchasing during the post-integration process. The previous academic literature lacks specific, detailed research on the topic which this study explores. This thesis is motivated by filling the research gap and providing empirical evidence on integration process and how it can be further developed. This chapter will discuss the findings and their relation to previous academic research and introduce the new information the study has generated. Additionally, the previous integration path is discussed, and the future integration process framework is introduced. In the next and final conclusions chapter six, the research question is answered, and managerial implications are outlined. Lastly, the study limitations and future research suggestions are provided.

Prior research has not extensively examined the concrete actions or the best practices for integrating procurement functions after M&A (Feldman & Hernandez 2022; Hu et al. 2025). Especially on an operative level decision-making (Chakkol et al. 2018; Kroon et al. 2022). Much of the existing literature focuses on topics such as identifying synergies, change management, or selecting the most suitable acquisition target (Larsson & Finkelstein 1999; King et al. 2004; Cumming et al. 2023). Chae et al. (2022) suggest that more qualitative case studies are needed to observe how acquiring firms integrate their supply chains with those of target firms. They continue by emphasizing the importance of understanding how these integration activities influence post-merger and acquisition performance. Motivated by these observations, this study contributes to existing literature by providing an empirical qualitative case study of an acquiring company that has acquired several companies and integrated their supply chain activities into its own operations. This section presents the conclusions derived from the analysis and findings, comparing them with existing literature. First, topics that align with previous studies are introduced. Next, topics that do not align with prior research are discussed. Finally, topics that were not addressed in the existing literature are presented.

The best-practice findings from the interview material were largely consistent with previous research. From the interview answers, it could be determined that similar aspects and dimensions were held in high importance that were mentioned in academic studies, such as

O'Connor et al. (2023), Lorentz et al. (2020), Meyer & Henke (2023), Spreitzenbarth et al. (2024), Di Mauro et al. (2024), Van Hoek & Lacity (2023), Lorentz et al. (2018), Trautmann et al. (2009), Chen & Paulraj (2004) that consider the following dimensions organizational factors, information systems, and cultural distance or difference. Additionally, the best practices identified as leading to successful outcomes largely aligned with academic studies. However, most of the positive correlational findings were not reflected in current concrete practices at the case company, but rather in interviewees identified views on how future integrations should be carried out.

The studies examining the best methods and practices aligned with the findings of this thesis and included several academic articles (Cording et al. 2008; Birollo & Teerikangas 2019; Rouzies & Colman 2012; Johansson et al. 2023; Kroon et al. 2022; Baker & Niederman 2014; Gomes et al. 2013; Angwin & Urs 2014; Shim 2011; Uzelac et al. 2016) that focused on themes related to integration leadership and decision-making. The results support the idea that early involvement of the purchasing organization in the integration process, along with clear yet detailed decisions at the start of integration, is beneficial for achieving successful post-M&A integration. Furthermore, company and culture effects were also in line with studies (Bauer & Matzler 2014; Johansson et al. 2023) reporting on how two merging companies' cultural or company cultural differences must be taken into account when performing an integration. From the interviews, it was also recognized that the acquired company needs to be motivated for the integration, which is in line with the previous studies (Colman & Lunnan 2011; Dick et al. 2006; Langley et al. 2012; Lupina-Wegener et al. 2014; Rouzies & Colman 2012; Uzelac et al. 2016). In more detail, motivation includes the importance of identity reconstruction during acquisition and driving organizational identity further.

According to the interviewees they were involved in determining the chosen integration approach and depth, and they indicated way of acquiring company methods and routines were imposed into the acquired company were in line with the importance found in literature (Kroon et al. 2022; Steigenberger 2017; Angwin et al. 2023; Teerikangas & Thanos 2018; Bauer & Matzler 2014; Cao et al. 2022; Baker & Niederman 2014; Angwin & Urs 2014). P6 highlighted the importance of not sending an acquiring company's employee to impose new methods and instead bringing new ways through company training. Additionally, P6's notation aligns with Angwin & Urs (2014) theory of superimposition. Furthermore,

interview findings align with the importance of maintaining local know-how within the company by integrating with the target company's employee retention in mind.

When it comes to post-M&As internal communication aspects, the thesis data and previous research have a clear correlation, following research papers on the topic are in alignment (Allatta & Singh 2011; Chen et al. 2010; Moffat & McLean 2010; Dick et al. 2006; Lupina-Wegener et al. 2014; Rouzies & Colman 2012; Johansson et al. 2023). Theory and findings suggest that the target company should be included into acquirers' operation teams thus including them in company-wide communication and team-specific information flow. Additionally, site visits were supported and encouraged due to their clear benefits for integration synergy. Allatta & Singh (2011) suggested that the target company's communication patterns can be difficult to link into the acquirer's stakeholders. This was found to be true in the findings, as having proper merging with team level communication was thought to need time and building trust. The interviews also showed the importance of providing a sense of continuity for the target company's teams which is in line with Lupina-Wegener et al. (2014) suggestion.

In terms of information system integration, the findings do align with the literature. Continuing the same line that the case company has not necessarily compiled the best detected methods by interviewees into workable practice. Following articles about inform system dimension studies have aligned with the findings (Henningsson et al. 2018; Aboagye-Darko et al. 2024; Tanriverdi & Bülent Uysal 2015; Hedman & Sarker 2015; Henningsson & Yetton 2013; Mahmood et al. 2020; Johansson et al. 2023; Cao et al. 2022; Baker & Niederman 2014; Wijnhoven et al. 2006; Henningsson & Kettinger 2016; Angwin & Urs 2014). Findings and theory both consider the information system integration depths' demand and what benefits and downsides it brings to the integration process and future operative function. However, the findings did not include as deep analysis in Wijnhoven et al. (2006) model in terms of considering forms of integration depth and fitting the IS integration with overall M&A integration strategy. Additionally, Mahmood et al. (2020) did point out the possible problems in data migration, and this is much in line with the findings where data migration was experienced as a time-consuming problem during the integration.

The case company's current integration approach indicated that each integration was performed without a pre-existing process and in a more one-time project format with a project manager. The purchasing organization's managers' early participation in integration

planning and the DD phase was limited due to NDA reasons. Additionally, the integration manager's early involvement in the DD phase was limited due to NDA reasons. Furthermore, the case company had not designated a party responsible for the integration execution at an operational level, nor had it identified more detailed stakeholders responsible for the implementation. The findings were not in line with those of Chae et al. (2022), who emphasize the benefits of involving supply chain managers in the M&A process, or Steigenberger & Ebers (2023), who have highlighted the importance of clear goal setting. Lastly, Cording et al. (2008) noted that the goals needed to be broken down into smaller, more manageable segments, which were not present in the findings. However, some aspects of the literature were present. However, the lack of a process-oriented approach and the fragmented organizational structure might have led to these aspects never being communicated to the interview participants.

Benitez et al. (2018), Cao et al. (2022) and Baker & Niederman (2014) discussed IS integration flexibility and possible options for seizing M&A synergy more efficiently. However, the findings did not bring significant amount of this kind of consideration when focusing on information system development or selection. The common view was that integration should be completed into acquiring company's systems and the variable was how deeply the integration would be performed. Cao et al. (2022) and Baker & Niederman (2014) additionally stressed the importance of performing due diligence over information system, and the findings show similar consideration towards the IS integration.

Training and onboarding were recognized as being important in findings. However, training was only present in previous literature from information system integration standpoint by Mahmood et al. (2020) article. Onboarding was talked about more from culture and process integration perspective by Teerikangas et al. (2018). Additionally, the training and onboarding were performed without a process, and the participants stressed the importance of deciding the training roles early as possible in the integration.

Process scalability was a notable topic in the findings, which was largely missing from M&A integration literature. The findings indicated that, especially when a larger company imposes global processes on a smaller one, this can lead to a significant number of issues that need consideration during procurement ramp-up. The issues arise if the target company cannot perform tasks during the transformation period, when the new procedures are unknown, as to what is allowed and what is not, and by whom. From the interviews, it can be concluded

that the case company has divided its roles into smaller sections. In contrast, the target company may have job roles with broad areas of responsibility. This leads to a scenario where global processes need to be created, which also takes into consideration smaller organizations that have fewer employees. Having global processes standardizes operations across the organization, thereby improving internal operations. The problem with creating global processes lies in the reasons for initially dividing roles into smaller sections, which are largely legal and internal-control-based. This means that different employees can only perform certain tasks to avoid internal-control risks. Naturally, the target company has only a limited number of employees, thus limiting the division of job roles. Additionally, larger organizations often have higher workloads per role. This means that after integration, the target company's broader job roles' workload may increase, causing role division regardless of the company's processes.

According to Hallikas et al. (2021), Chen & Paulraj (2004), and Trautmann et al. (2009) performing cross-border integration in different cultural environments than the acquiring company as well as having notable physical distance was found to increase the criticality of successful IS usage. They add that an efficient IS is needed for efficient communication between purchasing and sourcing organizations. Findings showed that the business case is usually much more complex, especially if the acquiring company has no prior experience operating the acquired company's location. This was partly due to the necessary legal requirements that also affect how the new ERP is being set up. Moreover, interviewees raised the concern about having a sub-par ERP and the issues it could cause for cross-border integration. The analysis also implied greater difficulty in integrating know-how and skills into the new location during a cross-border acquisition. Therefore, highlighting the importance of having a functional and efficient IS in cross-border acquisitions and aligning with the previous research.

Additionally, Lorentz et al. (2018) and Lorentz et al. (2020) argue that there is an increased need for a more focused management to keep the organization functional due to the complexity in cross-border operations. Moreover, O'Connor et al. (2023) highlight the challenges posed by cultural distance on successful purchasing operations in diverse cultural environments. Their view is supported by studies from Cao et al. (2018) and Beugelsdijk et al. (2018), which emphasize the critical importance of effectively managing purchasing operations in a multicultural context. Gupta & Gupta (2019) indicate that cross-border M&A

performance shows mixed results in terms of operational outcomes, suggesting that cultural differences do not necessarily harm performance. In contrast, Brede et al. (2025) argue that organizational culture is a better predictor of M&A success than national culture, as it affects decision-making and strategic practices. They highlight that greater cultural distance can lead to positive learning opportunities and effective resource recombination, though it may also introduce friction during integration. Compared with the thesis results, the literature mostly aligns with the findings. The interviews suggested that the similarity in the way operational business is executed improved communication performance. The similarity in how operations are conducted means the systems they use and whether they have managed their procurement operations similarly before the integration. It can be seen as a direct link to a similar corporate culture and therefore has a greater meaning for cooperation than cultural differences. Furthermore, the cultural differences did not necessarily harm cooperation or make it more difficult. However, it was noted that it could also be a source of friction.

One key finding was the need for a flexible framework to manage the integration of procurement operations. The interviewees supported this finding by indicating that the process would be beneficial for future integrations based on past experiences. Previous literature has not introduced specific tools for procurement integration operations. Another identified aspect for the framework was the need for a continuous improvement element, which aligns with Sunder & Linderman's (2024) research on cumulative capability for achieving operational excellence and maintaining a competitive advantage. Furthermore, no current methods were found in the literature or in the results for a process that carries out the post-M&A integration and documents it for further development and backtracking. As it stands, M&As are often carried out as single projects, and companies do not build cumulative readiness for future integration processes because of single-project thinking. One of the main ideas of the tool is to retain key considerations within the company, since the parties responsible for integration management may be selected on short notice, already have a workload, and have no prior experience with integrations.

5.1 Towards a More Process Like Integration

From figure three and table six, the new preliminary process, which was developed based on this study's findings and analysis, can be observed. However, to discuss how the case company has carried out its previous integrations, figure three serves also as a guiding visualization. As previously mentioned, the case company has not had a specific process for performing integrations, but recurring patterns can be detected from the interview responses. The main distinction is that integration has been treated as a one-time project rather than a capability, with no long-term development in mind.

Typically, the steering group of executives and specialists plans the business case during pre-integration in the DD phase, under an NDA, since the case company is publicly traded. The main project manager was variably selected to be part of this phase. However, some more specific specialists were already part of this phase on the IS side. The lack of early procurement-related stakeholders in the integration leaves possible considerations out of the business case plan. Next, the main project manager and section managers are selected, integration responsibilities are defined, and the proper procurement stakeholder presence could be established. In some cases, the sourcing and procurement stakeholder presence in integration has been underestimated, and after this phase, there are fewer recurring steps. One main distinction has been that, here on out, stakeholders chosen to carry out implementation tasks have had broad autonomy in how they perform their tasks, and implementation has been carried out alongside the existing workload. Documentation has been varying or non-existent, and implementation teams may have had a vague understanding of the integration organization as a whole or the business case. Deciding new employees' roles or training has not been tightly coordinated, nor has their knowledge been deeply utilized.

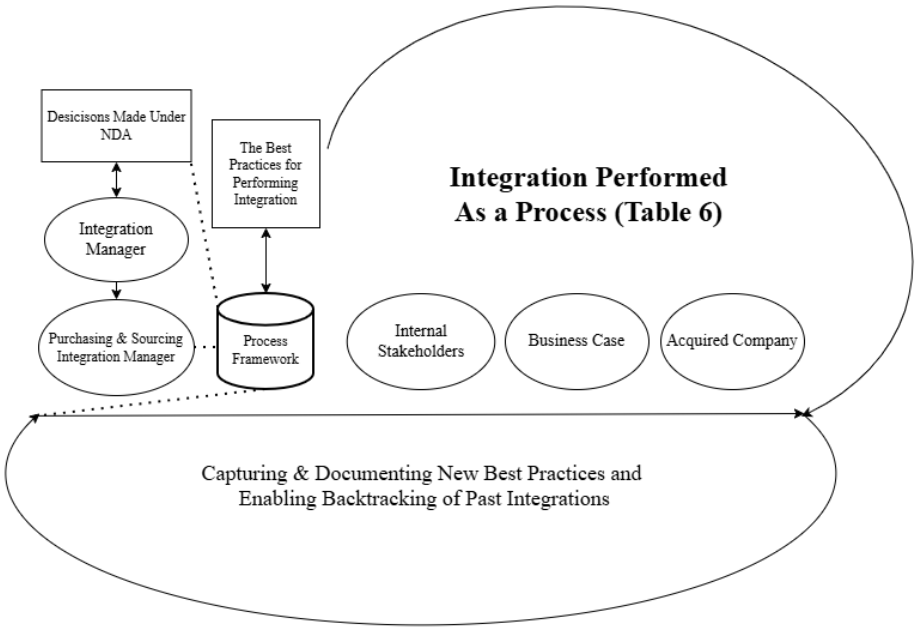

Figure 3: Integration Framework.

To advocate for a flexible framework as possible all the introduced ten phases in table six are not necessary. Additionally, the phases do not have to be performed in order due to the variability in different integration scenarios. The purpose of the introduced phases is to cover the most important aspects of the integration process and prevent possible misjudgments that might cause operational difficulties in the post-M&A integration organization. Furthermore, as shown in figure three the framework will treat the integration more process like and simultaneously develop the process itself by documenting the most essential aspects of each integration event. Additionally, an earlier involvement of sourcing and procurement stakeholders in business case creation is advised.

Table 6: Integration Process Phases.

Process Phase	Description	Questions
Phase 1: Understanding the Business Case	Clarify the business case early with all relevant procurement, sourcing, and IS stakeholders as far as NDA constraints allow. Ensure shared understanding of the acquisition's purpose, operational model, product structures, supplier landscape, and long-term procurement goals. Early clarity reduces misaligned expectations and prevents late-detected issues.	• Who must be involved early despite NDA limits, and what knowledge gaps remain? • What is the current business model of the target company, and how does it differ from ours? • What procurement-relevant risks, synergies, and integration constraints exist? • What are the long-term procurement development goals after integration? • What deadlines are driven by finance, legal, or operational requirements? • Who from the acquired company's procurement team should be involved or appointed into the integration?
Phase 2: IS and Data Integration	Evaluate whether and how the acquired company will be integrated into the acquiring company's information systems. Define ERP integration depth, required system capabilities, data migration requirements, and compatibility between systems. Map supplier data, product structures, and procurement processes. Plan technical resource allocation and timeline for system implementation.	• What data exists in the target company, and how clean and complete is it? • How compatible are product structures, master data, and item coding? • Which access rights, controls, and responsibilities must be defined early? • What system training capacity is available and is more training capacity needed? • What possible temporary technical process workarounds need to be used?
Phase 3: Training & Onboarding	Introduce the acquirer's procurement operating model, terminology, governance structures, and ways of working. Establish clear responsibilities. Conduct site visits to build understanding and accelerate people integration. Train key target-company individuals to carry responsibility locally.	• What roles and responsibilities must be clarified immediately for operational continuity? • Which employees must be trained first (key users, specialists, buyers)? • What terminology and policies must be introduced to align decision-making? • How will site visits be organized to accelerate people integration? • How will local ownership of new processes be encouraged?
Phase 4: Documenting	Document integration decisions, process changes, procurement structures, and system configurations. Maintain process maps and decision records to enable transparency, future learning, and integration backtracking. Establish documentation standards for integration progress monitoring.	• What decisions must be recorded for backtracking and future integrations? • Who owns the documentation process for procurement and ERP? • What must be captured to support later audits, training, and process refinement? • How will lessons learned be collected continuously, not only at the end?
Phase 5: Organizational & Cultural Distance	Assess differences between the acquiring and acquired companies regarding organizational structure, decision-making autonomy, procurement practices, and cultural norms. Identify possible friction areas and ensure employees understand the new organization model. Promote integration through shared terminology, communication, and joint activities.	• Which responsibilities must remain broad due to small-company resource constraints? • Where will increased bureaucracy or reduced autonomy cause friction? • How will we ensure understanding of the new organization model and communication of escalation paths? • What cultural or organizational barriers may hinder day-to-day cooperation?
Phase 6: Process Scalability	Adapt procurement model, access rights, and process scope to fit the target company's size and maturity. Identify which tasks can shift to the acquirer and which must remain local. Ensure processes do not become overly heavy for a smaller operation.	• Which global processes cannot be scaled down and require workarounds? • Which responsibilities should remain local to avoid bottlenecks? • What KPIs will measure procurement performance post-integration? • Are there task overlaps or gaps between organizations that need redesign?

Process Phase	Description	Questions
Phase 7: Communication	Establish clear communication channels from project manager to segment leads, operational stakeholders, acquired employees, and suppliers. Use recurring meetings and simple language. Over-communication is safer than under-communication, but messages must have purpose.	• What is the meeting and reporting structure across all stakeholder levels? • How will cultural and terminology differences be bridged? • What must suppliers be told, when, and by whom? • How will feedback be collected from implementation-level stakeholders? • How will communication evolve as the business case becomes clearer?
Phase 8: Integration Execution & Monitoring	Carry out procurement integration following defined milestones, adjusting sequencing as needed based on ERP readiness, resource constraints, and emerging issues. Ensure operational continuity in purchasing, suppliers, logistics, and warehouse operations.	• Are integration milestones achievable with existing resources? • What disruptions are likely for purchasing, suppliers, or logistics? • How will we identify and correct operational issues during ramp-up? • How will decision-making escalate when unexpected process gaps appear?
Phase 9: Continuous Improvement & Lessons Learned	Embed a continuous lessons-learned mechanism to capture insights during integration. Update the framework after every integration to build the company's cumulative integration capability.	• What practices improved efficiency and should be standardized? • What caused delays or operational problems, and why? • What should change in the integration process before the next acquisition? • How are improvement suggestions captured and actioned?
Step 10: Post-Integration Development	After formal integration, continue developing procurement maturity, supplier network optimization, system ownership, and long-term process efficiency. Avoid permanent "limbo states" caused by unfinished decisions or unclear ownership.	• Has procurement performance improved relative to pre-integration? • Which processes, suppliers, or systems still require refinement? • How can operational knowledge be stabilized and retained? • What long-term development initiatives should begin now?

In table six, each phase is described, and managerial questions are presented. Currently, the framework does not contain past integration experiences or suggestions. However, in the future, the best new practices and past examples should be added to the framework for possible reuse or further adaptation into new integration implementations. Moreover, one main purpose of this table is to provide the integration manager and team with existing steps to follow, avoiding improvisation and enabling a more flexible selection of possible integration managers, since the process supports the manager and does not require them to rely entirely on past integration management experience.

Furthermore, once the business case is clear, the ten-phase table could be incorporated into Figure two's approach to selecting IS integration approaches in relation to the overall integration approach, thus establishing a clear, logical method for displaying the chosen approach. Through this approach, a clear business case and goal can be formed and communicated to the acquiring company's internal and external stakeholders in an easily understandable manner.

6. Conclusions

Next, the research question is answered: *"What are the best practices for performing a post-M&A integration process for direct purchasing operations, and why?"*. The theory and findings showed that best practices are considerations that mitigate potential problems that may occur during the integration process. Furthermore, it was noted that operation integrations often do not have separate resources from the already existing ones. Meaning that integration happens on top of the already existing workload. Thus, having a framework for the integration manager can provide a more straightforward action plan, initiate a more process-like integration, and simultaneously mitigate the integration workload. Additionally, the framework offers an already thought-out process, and the segment manager does not have to create everything from the ground up and unnecessary improvision is avoided. The theory and findings stressed the importance of treating the newly adopted best practices as the company's integration ability, one that can be continuously improved, rather than a singular project that ends. Furthermore, a concrete process supports the selection of the integration manager and their section managers, as they would have a process to follow to ensure integration aspects are considered. Thus, mitigating the selection of an integration manager based solely on integration experience and allowing the selection to reach candidates with other specific skills or resources vital to the integration.

Both empirical results and scholars strongly encourage early involvement by the purchasing and sourcing department. Early involvement enables maximizing the time available for preparing and analyzing integration resource needs and for evaluating the business case. Additionally, at this point, the business case can still be modified, and purchasing and sourcing can provide valuable insights into business case formulation with long-term implications. Especially when integrating information systems from a procurement standpoint, the earlier the business case is clear, the better. The early mapping of ERP needs for integration and decision-making for how the new business model will be run is critical for initiating the real procurement integration process, resource allocation, and stakeholder selection. Furthermore, these steps and decisions need to be communicated clearly to the relevant stakeholders and discussed to avoid potential misjudgments and misunderstandings.

The key consideration is approaching procurement integration holistically and not only to ramp up roles and systems within a certain timetable, to only address shortfalls later. Instead, it should take into account future development objectives, stakeholder communication, information systems, employee retention, process scalability, and training. Simultaneously, documenting the decisions made and process maps for backtracking the integration and for future lessons learned analysis. This way, an overall successful M&A operation can be ensured, with all stakeholders benefiting from the rare and resource-intensive integration event.

6.1 Managerial Implications

The implications of the best practices offer straightforward methods for managers. For executive-level decision-makers, inviting purchasing and sourcing stakeholders early in the process, with limitations imposed by an NDA, is highly recommended. Furthermore, developing the business case from both a practical and technical standpoint, and engaging with information systems and procurement specialists, further strengthens the business case and ensures that all parties understand it the same way, enabling a more precise integration process to begin. The possible similarities and differences in corporate and cross-border cultures should be considered, and the effect on the decision about how much integration of people is enforced throughout the process. Overall, site visits are highly recommended to understand the business case and integrate people. Early sourcing and purchasing involvement enable more extensive synergy identification, supplier compatibility, supply risk, and process scalability. The rule is that the more different the acquired business and product are from the acquirer’s, the more considerations there are. Treating integration more as a company's ability rather than a case-by-case event is preferred for long-term, high-quality process creation.

For the section manager responsible for purchasing and sourcing activities, ensuring clear targets as early as possible in the process and communicating them clearly is beneficial. Based on the business case, it is recommended to plan how the acquirer’s processes will be imposed on the acquired company and to clearly define responsibilities. Communicating with and onboarding the acquired company’s employees into the new organization is advantageous, as they need to understand the organization tree and processes. Additionally,

integrating new employees into existing teams further improves information flow and employee involvement. Research suggests that offering a sense of continuity to the acquired company's employees further improves integration and employee retention, particularly when local operational knowledge is needed. Overall, a more process-oriented approach is advised, including continuous learning methods. However, the findings also supported the idea that stakeholders should have a fair amount of self-control and freedom to perform their integration tasks without unnecessary bureaucracy.

6.2 Theoretical Implications

This thesis offers an overview of the concrete actions and planning undertaken by the case company to integrate its purchasing and sourcing functions following an acquisition. It provides evidence to support Chae et al.'s (2022) call for more qualitative research on this subject. According to Feldman & Hernandez (2022) and Hu et al. (2025), prior research has largely overlooked the management of post-integration mergers from a procurement and sourcing perspective. Moreover, Chakkol et al. (2018) and Kroon et al. (2022) note that there has been limited research on decision-making at the operational level. The findings of this thesis extend the existing literature by offering empirical insights into how procurement integration is operationally implemented and by compiling a selection of best practices to facilitate this integration.

Additionally, the thesis highlights a gap in the literature between strategic decision-making for integration and its operational execution. Furthermore, findings introduce the term "process scalability," which refers to integrating the acquirer's processes into either smaller or larger companies. The term describes well the situation in which a large organization with distinct internal functions and therefore narrowly split responsibilities tries to impose its processes on an organization with few employees who have broad responsibilities. If the imposed processes have low scalability, process integration may cause inefficiencies, and vice versa. This study also reveals a lack of existing integration frameworks and presents a preliminary framework of its own. Lastly, this master's thesis advocates viewing integration as a developable capability rather than a one-time project, which is in line with cumulative capability thinking emphasized by Sunder & Linderman (2024).

6.3 Limitations and Future Research

The results of this thesis cannot be generalized because they are based on a single case study, which does not provide sufficient data to draw broad conclusions. Additionally, the findings rely on insights from only six interviewees, suggesting that more data is needed to enhance the validity of the results. For future research, it is essential to conduct additional qualitative case studies to identify best practices across industries for actual operational integration steps. Additionally, following integrations before and after with defined KPIs would be advised to gather evidence of integration success. This thesis has revealed that there are currently no well-established frameworks in academia for procurement integration or detailed operational implementation. Therefore, additional research is necessary to explore the methods companies are currently using and to potentially develop a more comprehensive model and documentation of existing and future practices. Lastly, in future integration studies the perspective of the acquired company's procurement and sourcing employees should be noted, and their experiences listened to understand how the integration process is best done from target company's perspective.

References

Aboagye-Darko, D. et al. (2024) Information systems research on mergers and acquisitions: a systematic literature review. *Kybernetes*. 53 (12), 5560–5581.

Alaranta, M. & Henningsson, S. (2008) An approach to analyzing and planning post-merger IS integration: Insights from two field studies. *Information Systems Frontiers : a Journal of Research and Innovation.* 10 (3), 307–319.

Allatta, J. T. & Singh, H. (2011) Evolving communication patterns in response to an acquisition event. *Strategic Management Journal*. 32 (10), 1099–1118.

Angwin, D. & Urs, U. (2014) 'The Effect of Routine Amalgamations in Post-Acquisition Integration Performance: Whether to "Combine" or "Superimpose" for Synergy Gains?', in Advances in Mergers and Acquisitions. Emerald Group Publishing Limited. pp. 153–179.

Angwin, D. et al. (2023) Mergers and acquisitions research: Time for a theory rejuvenation of the field. *Long Range Planning. 56 (6).*

Angwin, D. N. & Meadows, M. (2015) New Integration Strategies for Post-Acquisition Management. *Long Range Planning*. 48 (4), 235–251.

Arts, S. et al. (2025) Technology differentiation, product market rivalry, and M&A transactions. *Strategic Management Journal*. 46 (4), 837–862.

Baker, E. W. & Niederman, F. (2014) Integrating the IS functions after mergers and acquisitions: Analyzing business-IT alignment. *The Journal of Strategic Information Systems*. 23 (2), 112–127.

Barney, J. B. (1991) Firm Resources and Sustained Competitive Advantage. *Journal of Management*. 17 (1), 99–120.

Barney, J. B. (2012) Purchasing, Supply Chain Management and Sustained Competitive Advantage: The Relevance of Resource-based Theory. *The Journal of Supply Chain Management*. 48 (2), 3–6.

Bauer, F. & Matzler, K. (2014) Antecedents of M&A success: The role of strategic complementarity, cultural fit, and degree and speed of integration. *Strategic Management Journal*. 35 (2), 269–291.

Benitez, J. et al. (2018) Impact of Information Technology Infrastructure Flexibility on Mergers and Acquisitions. *MIS Quarterly*. 42 (1), 25-A12.

Beugelsdijk, S. et al. (2018) Cultural Distance and Firm Internationalization: A Meta-Analytical Review and Theoretical Implications. *Journal of Management*. 44 (1), 89–130.

Birollo, G. & Teerikangas, S. (2019) Integration projects as relational spaces: A closer look at acquired managers' strategic role recovery in cross-border acquisitions. *International Journal of Project Management*. 37 (8), 1003–1016.

Bodendorf, F. et al. (2022) A multi-perspective approach to support collaborative cost management in supplier-buyer dyads. *International Journal of Production Economics*. 245.

Brede, M. et al. (2025) Mind the gap: the effect of cultural distance on mergers and acquisitions—evidence from glassdoor reviews. *Review of Managerial Science*. 19 (8), 2279–2326.

Bromiley, P. & Rau, D. (2016) Operations management and the resource based view: Another view. *Journal of Operations Management*. 41 (1), 95–106.

Brueller, N. N. et al. (2018) Linking Merger and Acquisition Strategies to Postmerger Integration: A Configurational Perspective of Human Resource Management. *Journal of Management*. 44 (5), 1793–1818.

Bryman, A. & Bell, E. (2015). Business research methods (4th edition). Oxford University Press.

Cai, S. et al. (2010) Implementing supply chain information integration in China: The role of institutional forces and trust. *Journal of Operations Management*. 28 (3), 257–268.

Cao, C. et al. (2022) Enterprise Systems and M&A Outcomes for Acquirers and Targets. *MIS Quarterly*. 46 (3), 1295–1322.

Cao, Z. et al. (2018) A meta-analysis of the exchange hazards–interfirm governance relationship: An informal institutions perspective. *Journal of International Business Studies*. 49 (3), 303–323.

Chae, S. et al. (2020) Supplier innovation value from a buyer–supplier structural equivalence view: Evidence from the PACE awards in the automotive industry. *Journal of Operations Management*. 66 (7–8), 820–838.

Chae, S. et al. (2022) Supply chains and the success of M&As: investigating the effect of structural equivalence of merging firms' supplier and customer bases. *International Journal of Operations & Production Management*. 42 (8), 1272–1293.

Chakkol, M. et al. (2018) Social capital is not for sale: a supply network perspective on mergers and acquisitions. *Supply Chain Management*. 23 (5), 377–395.

Challapally, A., Pease, C., Raskar, R. & Chari, P. (2025) The GenAI Divide: State of AI in Business 2025. MIT NANDA Project, July 2025.

Charmaz, K. (2014) Constructing grounded theory. 2nd edition. Los Angeles: SAGE.

Chen, C.-H. et al. (2010) The performance impact of post-M&A interdepartmental integration: An empirical analysis. *Industrial Marketing Management*. 39 (7), 1150–1161.

Chen, I. J. & Paulraj, A. (2004) Towards a theory of supply chain management: the constructs and measurements. *Journal of Operations Management*. 22 (2), 119–150.

Chi, L. et al. (2010) Information Technology, Network Structure, and Competitive Action. *Information Systems Research*. 21 (3), 543–570.

Choi, T. Y., & Kim, Y. (2008). Structural embeddedness and supplier management: A network perspective. *The Journal of Supply Chain Management*, 44(4), 5–13.

Christensen, C. M. et al. (2011) The big idea: the new M&A playbook. Harvard business review 89 (3) p.48–57.

Colman, H. L. & Lunnan, R. (2011) Organizational Identification and Serendipitous Value Creation in Post-Acquisition Integration. *Journal of Management*. 37 (3), 839–860.

Cooper, M. C. et al. (1997) Supply Chain Management: More Than a New Name for Logistics. *International Journal of Logistics Management.* 8 (1), 1–14.

Cording, M. et al. (2008) Reducing Causal Ambiguity In Acquisition Integration: Intermediate Goals As Mediators Of Integration Decisions and Acquisition Performance. *Academy of Management Journal*. 51 (4), 744–767.

Cui, R. et al. (2015) Information Sharing in Supply Chains: An Empirical and Theoretical Valuation. *Management Science*. 61 (11), 2803–2824.

Cumming, D. et al. (2023) Mergers and acquisitions research in finance and accounting: Past, present, and future. *European Financial Management : The Journal of The European Financial Management Association*. 29 (5), 1464–1504.

Di Mauro, C. et al. (2024) A seat at the table: The future of purchasing and supply management. *Journal of Purchasing and Supply Management*. 30 (1).

Dick, R. et al. (2006) Working Under a Black Cloud: How to Sustain Organizational Identification after a Merger. *British Journal of Management*. 17 (S1), S69–S79.

Dittfeld, H. et al. (2021) Proactively and reactively managing risks through sales & operations planning. *International Journal of Physical Distribution & Logistics Management*. 51 (6), 566–584.

Eisenhardt, K. M. & Graebner, M. E. (2007) Theory Building From Cases: Opportunities And Challenges. *Academy of Management Journal*. 50 (1), 25–32.

EL Baz, J. et al. (2022) The cultural dimensions in supply chain management research: a state-of-the-art review and research agenda. *European Business Review*. 34 (2), 171–190.

Fawcett, S. E. et al. (2007) Information sharing and supply chain performance: the role of connectivity and willingness Simon Croom (ed.). *Supply Chain Management*. 12 (5), 358–368.

Feldman, E. R. & Hernandez, E. (2022) Synergy in Mergers and Acquisitions: Typology, Life Cycles, and Value. *The Academy of Management Review*. 47 (4), 549–578.

Foerstl, K. et al. (2016) Mediation effects in the 'purchasing and supply management (PSM) practice–performance link': Findings from a meta-analytical structural equation model. *Journal of Purchasing and Supply Management*. 22 (4), 351–366.

Franco, C. W. et al. (2023) A contingency-configurational view of purchasing operations: The mediating role between supplier relationship and firm performance. *Journal of Purchasing and Supply Management*. 29 (1).

Gomes, E. et al. (2013) Critical Success Factors through the Mergers and Acquisitions Process: Revealing Pre- and Post-M&A Connections for Improved Performance. *Thunderbird International Business Review*. 55 (1), 13–35.

Gupta, M. & Gupta, S. (2019) Influence of National Cultures on Operations Management and Supply Chain Management Practices—A Research Agenda. *Production and Operations Management*. 28 (11), 2681–2698.

Hallikas, J. et al. (2021) Digitalizing procurement: the impact of data analytics on supply chain performance. *Supply Chain Management*. 26 (5), 629–646.

Handfield, R. et al. (2019) Emerging procurement technology: data analytics and cognitive analytics. *International Journal of Physical Distribution & Logistics Management.* 49 (10), 972–1002.

Haspeslagh, P. C. & Jemison, D. B. (1991) Managing acquisitions: creating value through corporate renewal. New York: Free Press.

Hedman, J. & Sarker, S. (2015) Information system integration in mergers and acquisitions: research ahead. *European Journal of Information Systems*. 24 (2), 117–120.

Henningsson, S. & Kettinger, W. J. (2016) Understanding Information Systems Integration Deficiencies in Mergers and Acquisitions: A Configurational Perspective. *Journal of Management Information Systems*. 33 (4), 942–977.

Henningsson, S. & Yetton, P. (2013). "Post-acquisition IT Integration: The sequential effects in growth-by-acquisition programs". *ACIS 2013 Proceedings*. 114.

Henningsson, S. et al. (2018) A Review of Information System Integration in Mergers and Acquisitions. *Journal of Information Technology*. 33 (4), 255–303.

Hu, W. et al. (2025) Outside-insiders: the role of supply networks in post-M&A operational performance. *International Journal of Operations & Production Management*. 45 (10), 1838–1860.

IMAA. (2026) Number & Value of M&A Worldwide. [referenced 28.03.2026]. Available at: https://imaa-institute.org/mergers-and-acquisitions-statistics/#Worldwide

Jemison, D. & Sitkin, S. 1986. Corporate Acquisitions: A Process Perspective. Academy of Management. The Academy of Management Review, p. 145.

Johansson, B. et al. (2023) What needs making Information Systems Integration successful in the case of Mergers and Acquisition. *Procedia Computer Science.* 219, 619–625.

Kähkönen, A.-K. (2014). Conducting a Case Study in Supply Management. *Operations and Supply Chain Management: An International Journal*. 31–41.

Kato, J. & Schoenberg, R. (2014) The impact of post-merger integration on the customer–supplier relationship. *Industrial Marketing Management*. 43 (2), 335–345.

Kim, Y. & Choi, T. Y. (2015) Deep, Sticky, Transient, and Gracious: An Expanded Buyer-Supplier Relationship Typology. *The Journal of Supply Chain Management.* 51 (3), 61–86.

King, D. R. et al. (2004) Meta-analyses of post-acquisition performance: indications of unidentified moderators. *Strategic Management Journal.* 25 (2), 187–200.

King, D. R. et al. (2020) What, when, and who: Manager involvement in predicting employee resistance to acquisition integration. *Human Resource Management*. 59 (1), 63–81.

Kouvelis, P. et al. (2006) Supply Chain Management Research and Production and Operations Management: Review, Trends, and Opportunities. *Production and Operations Management.* 15 (3), 449–469.

Kroon, D. P. et al. (2022) Hard and Soft Integration: Towards a Dynamic Model of Post-Acquisition Integration. *Journal of Management Studies*. 59 (5), 1132–1161.

Laari, S. et al. (2023) Procurement's role in resolving demand–supply imbalances: an information processing theory perspective. *International Journal of Operations & Production Management*. 43 (13), 68–100.

Langley, A. et al. (2012) Identity Struggles in Merging Organizations: Renegotiating the Sameness–Difference Dialectic. *The Journal of Applied Behavioral Science*. 48 (2), 135–167.

Larsson, R. & Finkelstein, S. (1999) Integrating Strategic, Organizational, and Human Resource Perspectives on Mergers and Acquisitions: A Case Survey of Synergy Realization. *Organization Science*. 10 (1), 1–26.

Lee, H. L. (2004) The triple-A supply chain. Harvard business review 82 (10) p.102.

Lorentz, H. et al. (2018) Managing distance in international purchasing and supply: a systematic review of literature from the resource-based view perspective. *International Business Review*. 27 (2), 339–354.

Lorentz, H. et al. (2020) Acquisition of supply market intelligence – An information processing perspective. *Journal of Purchasing and Supply Management*. 26 (5).

Lupina-Wegener, A. et al. (2014) Focusing on the bright tomorrow? A longitudinal study of organizational identification and projected continuity in a corporate merger. *British Journal of Social Psychology*. 53 (4), 752–772.

Mahmood, F. et al. (2020) ERP issues and challenges: a research synthesis. *Kybernetes*. 49 (3), 629–659.

Manne, H. G. (1965) Mergers and the Market for Corporate Control. *The Journal of Political Economy*. 73 (2), 110–120.

Meyer, D. & Henke, M. (2023) Developing design principles for the implementation of AI in PSM: An investigation with expert interviews. *Journal of Purchasing and Supply Management*. 29 (3).

Moffat, A. & McLean, A. (2010) Merger as conversation. *Leadership & Organization Development Journal*. 31 (6), 534–550.

Murphy, W. H. et al. (2020) Power-based behaviors between supply chain partners of diverse national and organizational cultures: the crucial role of boundary spanners' cultural intelligence. *The Journal of Business & Industrial Marketing*. 35 (2), 204–218.

O'Connor, N. G. et al. (2023) Managing from a distance in international purchasing and supply. *Operations Management Research: Advancing Practice Through Research.* 16 (2), 594–619.

Rouzies, A. & Colman, H. L. (2012) Identification Processes in Post-Acquisition Integration: The Role of Social Interactions. *Corporate Reputation Review*. 15 (3), 143–157.

Saunders, M. et al. (2016) Research methods for business students: 7. *ed*. Seventh edition. Harlow u.a: Pearson.

Schiele, H. (2019) Purchasing and supply management. In: Zijm, H., Klumpp, M., Regattieri, A. and Heragu, S. Operations, logistics and supply chain management. Series: Lecture notes in logistics. Cham, Switzerland: Springer. P. 45-73.

Shim, J. (2011) Mergers & Acquisitions, Diversification and Performance in the U.S. Property-Liability Insurance Industry. *Journal of Financial Services Research*. 39 (3), 119–144.

Simmons, O. E. (2022) Experiencing Grounded Theory : A Comprehensive Guide to Learning, Doing, Mentoring, Teaching, and Applying Grounded Theory. Universal Publishers.

Sjoerdsma, M. & van Weele, A. J. (2015) Managing supplier relationships in a new product development context. *Journal of Purchasing and Supply Management*. 21 (3), 192–203.

Spreitzenbarth, J. M. et al. (2024) Artificial intelligence and machine learning in purchasing and supply management: A mixed-methods review of the state-of-the-art in literature and practice. *Journal of Purchasing and Supply Management*. 30 (1).

Steigenberger, N. & Ebers, M. (2023) What drives integration teams to achieve high integration process performance in absorption acquisitions? A configurational analysis. *Long Range Planning*. 56 (6).

Steigenberger, N. (2017) The Challenge of Integration: A Review of the M&A Integration Literature. *International Journal of Management Reviews : IJMR*. 19 (4), 408–431.

Strauss, A. & Corbin, J. (1990). Grounded theory research: procedures, canons, and evaluative criteria. *Qual. Sociol*. 13 (1), 3–21.

Strauss, A. & Corbin, J. (1994). Grounded theory methodology. In Denzin, N. K., & Lincoln, Y. S. (Eds.), Handbook of qualitative research. Sage.

Sunder M, V. & Linderman, K. (2024) Explicating the microfoundations of operational excellence in services: A capabilities perspective. *Journal of Operations Management*. 70 (7), 1048–1075.

Sunder M, V. & Modukuri, S. (2024) Essential Capabilities for Successful Digital Service Innovation at the Bottom of the Pyramid. *California Management Review*. 66 (3), 69–92.

Tang, L. (2025) Corporate development executives and M&A performance. *Strategic Management Journal*. 46 (11), 2798–2838.

Tanriverdi, H. & Bülent Uysal, V. (2015) When IT capabilities are not scale-free in merger and acquisition integrations: how do capital markets react to IT capability asymmetries between acquirer and target? *European Journal of Information Systems*. 24 (2), 145–158.

Teece, D. J. (2018) Business models and dynamic capabilities. *Long Range Planning*. 51 (1), 40–49.

Teerikangas, S. & Thanos, I. C. (2018) Looking into the 'black box' – unlocking the effect of integration on acquisition performance. *European Management Journal*. 36 (3), 366–380.

Teerikangas, S. et al. (2011) Integration managers' value-capturing roles and acquisition performance. *Human Resource Management*. 50 (5), 651–683.

Thomas, M. et al. (2023) Speeds of post-merger integration: The roles of chronos and kairos in M&As. *Long Range Planning*. 56 (6).

Trautmann, G. et al. (2009) Integration in the Global Sourcing Organization – an Information Processing Perspective. *The Journal of Supply Chain Management*. 45(2), 57–74.

Uzelac, B. et al. (2016) The moderating effects of decision-making preferences on M&A integration speed and performance. *International Journal of Human Resource Management*. 27 (20), 2436–2460.

Van Hoek, R. & Lacity, M. (2023) Procurement in the Age of Automation. *MIT Sloan Management Review*. 65 (1), 46–53.

Van Hoek, R. (2024) Insight from industry-early lessons learned about AI adoption in core procurement processes, directions for managers and researchers. *Supply Chain Management*. 29 (4), 794–803.

Wijnhoven, F. et al. (2006) Post-merger IT integration strategies: An IT alignment perspective. *The Journal of Strategic Information Systems*. 15 (1), 5–28.

Yang, Y. S. et al. (2025) More or complex actions? Effects of supply networks on firms' competitive aggressiveness. *International Journal of Operations & Production Management*. 45 (1), 33–61.

Yin, R.K. (2014). Case study research : design and methods. 5th edition. Sage Publications Inc. United States of America.

Zimmermann, R. et al. (2020) How supply chain strategies moderate the relationship between innovation capabilities and business performance. *Journal of Purchasing and Supply Management*. 26 (5).

Appendices:

Appendix 1: The Preliminary Interview Questionnaire

INTERVIEW QUESTIONARE

The interview responses will be used anonymously solely for the purposes of this master's thesis. The responses will be kept confidential and deleted once the research is complete.

Participant Background:

1. What is your current role and what are your key responsibilities?
2. What is your previous experience with integrations?
3. How would you describe your responsibilities in relation to previous integrations or ongoing integration?

Integration process:

4. How would you describe the current integration process?
5. What steps would you like to see in the integration process?
6. What factors were taken into account in planning the integration?
7. Which stakeholders should be involved in the integration of purchasing activities?
8. Have the integration projects differed from each other, and if so, in what ways?
9. How are decision-making and responsibility distributed?
10. Which parts of the process do you consider most critical to the success of the integration?
11. How has the information system been taken into account in the implementation of the integration?
12. What goals have been set, how is progress monitored, and how have the goals been met?

Communication:

13. How have decision-making and progress been communicated?
14. Have the key objectives of integration been clearly defined?
15. In which situations does communication work well and in which situations does it work less well?
16. How could communication and information flow be improved in integration projects?
17. How have integrations been documented?

Risks, challenges, and lessons learned:

18. What are the biggest challenges in integration?
19. Are there things you would like to do differently?
20. What lessons or best practices do you think have emerged from integration?

Appendix 2: Code Tree