

CITY UNIVERSITY OF HONG KONG
香港城市大學

**Case Studies on Successful M&A Practices
In Acer & Lenovo: A Dynamic Capabilities
Perspective**

**動態能力在成功海外併購中的應用：
以宏碁及聯想電腦公司為案例**

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ABSTRACT

The historical global data shows that 70% of the merger & acquisitions (M&A) ended in value destruction and only 30% actually with value creation. This empirical research focuses on the successful practices in the value creating M&A in the 30% with comparison to less value generating one. The empirical case studies show that traditional resources alone are not sufficient for successful cross-border M&A but dynamic capabilities (DC) play pivotal roles in it. As abilities to create, extend and modify existing firm's resources base, three major types of dynamic capabilities identified in this study including ex ante and ex post M&A capabilities, dynamic managerial capability and organizational learning are essential to the successful M&A in achieving synergic effects in sales growth, market share, patents, brand value and drive for globalization. The main contribution of the study is to expand the dynamic capability perspective (DCP) to the Chinese cross-border M&A arena with keen emphasis on organizational learning as the central theme and key moderator within the domains of ex ante M&A dynamic capability and ex post dynamic capabilities in ex ante M&A strategy and event and ex post M&A integration phases. The research concludes that only via organizational learning and organizational learning-based dynamic capabilities can successful and profitable cross-border M&A be achieved.

Key words: Cross-border M&A; Dynamic Capabilities; Organizational Learning; Ex ante M&A dynamic capability; Ex post M&A capability

LIST OF ABBREVIATIONS

BIOS	Binary Input Output System
BRIC	Brazil, Russia, India, China
CBV	Competence Based View
CIS	Commonwealth of Independent States
CPU	Central Processing Unit
DC	Dynamic Capabilities
DCP	Dynamic Capabilities Perspective
EMEA	European Middle East and Africa
FDI	Foreign Direct Investment
HRM	Human Resources Management
IDC	Interactive Data Corporation
IT	Information Technology
IP	Internationalization Process
JV	Joint Venture
KBV	Knowledge Based View
KM	Knowledge Management
KSF	Key Success Factor
LCD	Liquid Crystal Display
LLL	Linkage-Leverage-Learning
LBV	Learning-based View
M&A	Merger and Acquisition
M&As	Mergers and Acquisitions
MNC	Multinational Company

MNE	Multinational Enterprise
MOFOCOM	Ministry of Commerce, China
NIEs	New Industrial Economies
NIV	New International Venture
ODM	Original Design Manufacture
OEM	Original Equipment Manufacture
OFDI	Outward Foreign Direct Investment
OL	Organizational Learning
O-L-I	Ownership-Location-Internalization
PC	Personal Computer
PCD	Personal Computer Division of IBM
PDA	Personal Digital Assistant
PMI	Post Merger Integration
POE	Private Owned Enterprises
RBV	Resources Based View
R&D	Research and Development
SCA	Sustainable Competitive Advantage
SOE	State Owned Enterprise
SOEs	Stated Owned Enterprises
TCE	Transactions Cost Economics
TMT	Top Management Team
TVP	Transaction Value Perspective
UNCTAD	United Nations Council on Trade and Development
VRIO	Valuable-Rare-Inimitable-Organizational
WTO	World Trade Organization

LIST OF FIGURES

Figure 1.1	Outbound FDI for China 2000-2007	20
Figure 1.2	Focus of the Research	28
Figure 1.3	Research Domain and Theoretical Underpinnings	32
Figure 1.4	Organization and Overview of the Research	35
Figure 2.1	Typology of M&A	40
Figure 2.2	Motives of Cross-Border M&A	43
Figure 2.3	OLI Paradigm Framework	47
Figure 2.4	Theoretical and Operational Level of Uppsala Model	54
Figure 3.1	M&A Learning Curve	107
Figure 3.2	Conceptual Lens	137
Figure 4.1	Research Process	157
Figure 4.2	Underlying Philosophical Assumption	159
Figure 4.3	Data Interpretation Method	185
Figure 4.4	Theory Design Process	190
Figure 5.1	PC Value Chain	200
Figure 5.2	The Stan Shih Smile Curve	201
Figure 5.3	Acer Inc. Organizational Chart	217
Figure 5.4	2008 Acer IT Revenue Breakdown	256
Figure 5.5	Acer Consolidated Revenues	257
Figure 5.6	Acer Operating Incomes	257
Figure 5.7	Acer Total PC Shipments	258
Figure 5.8	Legend / Lenovo Holdings Organizational Chart	263
Figure 5.9	Legend / Lenovo Market Position	266

Figure 5.10	Legend / Lenovo PC Shipments	268
Figure 5.11	New Lenovo and Ownership	274
Figure 5.12	Lenovo Organizational Chart	275
Figure 7.1	Dynamic Capabilities and Profitable Cross-border M&A	355
Figure 7.2	Relationship among Organizational Learning and Learning-based Capabilities in Successful M&A	357

LIST OF TABLES

Table 1.1	Acer and Lenovo Value Creation Comparison	27
Table 2.1	Major Streams of the Literature on Cross-border M&A	64
Table 2.2	Cross-Border M&A Analysis in Chinese Context	71
Table 2.3	Main Streams of M&A Synergy Literature	73
Table 2.4	Evolutionary Development of Dynamic Capabilities Perspective	88
Table 3.1	Concepts, Definitions and Their Observations	139
Table 4.1	Comparison between Positivism and Interpretivism	160
Table 4.2	Dimensions Guiding Interview and Their Description	180
Table 4.3	Interviewee List	181
Table 5.1	Top 5 PC Vendors in Global Market in 2008	202
Table 5.2	Top 5 PCS Vendors in the U.S. in 2008	203
Table 5.3	Top 5 PC Vendors in Asia in 2008	204
Table 5.4	EMEA PC Shipment in Q3 2008	205
Table 5.5	Acer and Lenovo Comparison	206
Table 5.6	Innovation Factors Comparison among Taiwan, China	209
Table 5.7	Acer Related Interviewees	216
Table 5.8	Acer's M&A History	221
Table 5.9	Lenovo Related Interviewees	262
Table 5.10	Lenovo Domestic Diversification History	269
Table 5.11	Lenovo Sales Revenue and Net Income from 2000 to 2008	276
Table 5.12	Lenovo World Ranking from 2002 to 2008	316
Table 5.13	World PC Maker Ranking in 2004	317
Table 5.14	2006/2007 PC Maker Ranking	317

Table 6.1	Similarities between Acer and Lenovo	322
Table 6.2	DC Utilization Difference between Acer and Lenovo	322
Table 6.3	Difference between Acer and Lenovo in DC	323
Table 6.4	Strategic Integration Difference between Acer and Lenovo	329
Table 6.5	Lenovo and Acer Performance (2001-2008) in Comparison	340
Table 6.6	Lenovo and Acer Net Income Comparison (2005 - 2008)	341
Table 6.7	Other Findings from Acer and Lenovo Case Studies	342
Table 7.1	Propositions Based on Acer and Lenovo Cross-Case Analysis	348

CONTENTS

Abstract	1
Acknowledgements	2
List of Abbreviations	4
List of Figures	6
List of Tables	8
Contents	10
CHAPTER 1 RESEARCH MOTIVATION	17
1.1 WHY STUDY CHINESE CROSS-BORDER M&A?	18
1.11 THE PHENOMENON: WHY SO MANY CROSS-BORDER M&A FAILS?	21
1.2 A GAP IN LITERATURE	23
1.3 RESEARCH PURPOSE AND QUESTIONS	25
1.4 UNIT OF ANYALSIS	29
1.5 RESEARCH APPROACH	31
1.6 RELEVANCE AND CONTRIBUTION OF THE RESEARCH	32
1.7 PERSONAL BIASES	33
1.8 THESIS OUTLINE	34
CHAPTER 2 LITERATURE REVIEW	36
2.1 CROSS-BORDER M&A AS MEANS OF GROWTH	37
2.1.1 TYPOLOGY OF CROSS-BORDER M&A	39
2.1.2 MOTIVES OF CROSS-BORDER M&A	41
2.1.3 PREVIOUS STREAMS OF STUDY ON CROSS-BORDER M&A	44

2.1.3.1 TCE AND OLI APPORACHES	45
2.13.2 RESROUCES-BASED VIEW AND ORGANIZATIONAL LEARNING	48
2.1.3.3 TCE, RBV, INSTITUTIONAL THEORY AND NATIONAL CULTURE	50
2.1.3.4 UPPSALA MODEL – THE IP SEQENTIAL APPROACH	53
2.1.3.5 LEARNING-BASED VIEW OF MNE LATERCOMERS	56
2.1.3.6 OUTCOME STUDY ON CROSS-BORDER M&A	60
2.1.3.7 KEY SUCCESS FACTORS APPROACH	62
2.1.3.8 HUMAN RESROUCES MANAGEMENT APPROACH	63
2.1.4 CHINESE CONTEXT STUDIES ON CROSS-BORDER M&A	65
2.1.4.1 OVERVIEW OF CHINESE MNC’S DRIVE OVERSEAS	65
2.1.4.2 MOTIVES AND DERTERMINANTS FORCHINESE OFDI	66
2.1.4.3 OFDI STUDIES ON TAIWANESE MNC	67
2.1.4.4 HARD JOURNEY FOR CHINESE ADVANCE OVERSEAS	69
2.2 AIM OF CROSS-BORDER M&A: SYNERGY VALUE CREATION	72
2.21 TYPE AND SOURCES OF CROSS-BORDER M&A SYNERGY	73
2.3 RESORUCES-BASED VIEW WITH DYNAMIC CAPABILITIES	74
2.3.1 HISTORY OF RBV DEVELOPMENT	75
2.3.2 DEFINITIONS OF RESROUCES AND CAPABILITIES	78
2.3.3 SUSTAINABLE COMPETITIVE ADVANTAGE	80
2.3.4 CRITICISM OF RBV	81
2.3.5 EXTENSION RBV TO COMPETENCE-BASED VIEW	81
2.3.6 KNOWLEDGE-BASED VIEW WITH ORGANIZATIONAL LEARNING	82
2.3.7 A DYNAMIC CAPABILITIES PERSPECTIVE	83
2.3.7.1 ELEMENTS OF DYNAMIC CAPABILITES	85
2.3.7.2 CRITICISM OF DYNAMIC CAPABILITES PERSPECTIVE	86

2.3.8 SUMMARY OF DYNAMIC CAPABILITIES	88
2.4 STRATEGIC INTERGRATION AS DYNAMIC CAPABILITY	89
2.4.1 ELEMENTS OF STRATEGIC INTEGRATION	90
2.4.2 DEGREES OF INTEGRATION	91
2.4.3 CHALLENGES OF INTEGRATION	92
2.5 CHAPTER SUMMARY	92
CHAPTER 3 THEORETICAL UNDERPINNINGS & CONCEPUTAL LENS	95
3.1 DYNAMIC CAPABILITIES PERSPECTIVE	95
3.1.2 LEVELS OF CAPABILITIES	96
3.1.3 SPECIFICS OF DYNAMIC CAPABILITIES	98
3.2 ORGANIZATIONAL LEARNING	101
3.2.1 DEFINITION OF ORGANIZATIONAL LEARNING	102
3.2.2 WAYS OF LEARNING AND LEARNING EXPERIENCE	105
3.2.3 LEVELS OF LEARNING IN ORGANIZATIONS	108
3.2.4 GLOBAL LEARNING ORGANIZATION	109
3.3 KNOWLEDGE MANAGEMENT, TRANSFER AND INTEGRATION	110
3.3.1 KNOWLEDGE CREATION	111
3.3.2 KNOWLEDGE STORAGE AND RETRIEVAL	112
3.3.3 KNOWLEDGE TRANSFER AND ABSORPTIVE CAPACITY	113
3.3.3.1 ABSORPTIVE CAPACITY AS LEARNING ABILITY	113
3.3.4 KNOWLEDGE APPLICATION	116
3.4 INNOVATIONS AND INNOVATIVE CAPABILITIES	116
3.4.1 INNOVATIVE CAPABILITIES	119
3.5 RELATIONAL CAPABILITY	122

3.6 DYNAMIC CAPABILITIES	126
3.6.1 FACTORS FOR MANAGERIAL CAPABILITIES	126
3.6.2 ACQUISITION-BASED DYNAMIC CAPABILITIES	130
3.6.3 EVOLUTIONARY DEVELOPMENT OF M&A CAPABILITIES	132
3.7 SECTION SUMMARY	133
3.8 CONCEPTUAL LENS	133
3.8.1 RATIONAL FOR CONCEPTUAL LENS	134
3.8.2 DEVELOPING CONCEPTUAL LENS	142
3.8.2.1 BENCHMARK FOR PROFITABLE CROSS-BORDER M&A	142
3.8.2.2 EX ANTE M&A CAPABILITIES	144
3.8.2.3 EX POST M&A INTEGRATION PROCESS	146
3.8.2.4 DYNAMIC MANAGERIAL CAPABILITY	148
3.8.2.5 ORGANIZATIONAL LEARNING	150
3.8.3 CHAPTER SUMMARY	152
CHAPTER 4 RESEARCH METHOD	154
4.1 RESERCH PROCESS	155
4.2 INTERPRETIVE RESEARCH APPROACH	158
4.2.1 INDUCTIVE LOGIC AND KNOWLEDGE SEEKING	163
4.2.2 PRINCIPLE OF INTERPRETITIVE APPROACH	164
4.2.3 CRITICISMS OF INTERPRETIVISM	166
4.2.4 RATIONALE FOR ADOPTING A QUALITATIVE APPROACH	167
4.3 CASE STUDY RESEARCH METHOD	168
4.3.1 LIMITATIONS OF CASE STUDY	171
4.3.2 MULTIPLE CASE STUDY RESEARCH STRATEGY	172
4.3.3 ROLE OF THEORY IN MULTIPLE CASES DISGIN	173

4.4 UNIT OF ANSLYSIS	175
4.5 CASE SELECTION CRITERIA AND SAMPLING	175
4.6 DATA COLLECTION	177
4.6.1 SOURCES OF DATA AND TRIANGULATION	177
4.6.2 INTERVIEWING AS MAIN SOURCES FOR DATA	178
4.6.3 CONDUCTING INTERVIEWS	181
4.7 DATA ANALYSIS	184
4.7.1 DATA INTERPRETATION	184
4.7.2 MODE OF ANALYSIS	187
4.7.3 WITHIN-CASE ANALYSIS	187
4.7.4 CROSS-CASE ANALYSIS	188
4.8 THEORY GENERATION	189
4.9 QUALITY OF RESEARCH	191
4.10 ETHICAL CONSIDERATIONS	195
4.11 SUMMARY	195
CHAPTER 5 CASES STUDIES	197
5.1 PC INDUSTRY OVERVIEW	197
5.1.1 CURRENT KEY PLAYERS IN PC MARKET	201
5.1.2 LENOVO AND ACER GENERAL INFORMATION	206
5.2 INNOVAITON SYSTEMS FOR ACER AND LENOVO	208
5.2.1 ACER'S ADVANTAGES AND DISADVANTAGES IN TAIWAN	208
5.2.2 LENOVO'S ADVANTAGES AND DISADVANTAGES IN CHINA	212
5.3 ACER INC. CASE STUDY	214
5.3.1 ACER BACKGROUND	215
5.3.2 FIRM DESCRIPTION: FROM MULTITECH TO MULTIBAND	216

5.3.3 WHY ENGAING M&A IN ACER	219
5.3.4 DYNAMIC CAPABILITIES IN ACER	221
5.3.4.1 EX ANTE M&A CAPABILITIES	221
5.3.4.2 EX POST M&A INTEGRATION	232
5.3.4.3 DYNAMIC MANAGERIAL CAPABILITIES	236
5.3.4.4 ORGANIZATIONAL LEARNING	250
5.3.4.5 MEASUREMENT FOR PROFITABLE GROWTH	255
5.3.4.6 SUMMARY FOR ACER CASE	259
5.4 LENOVO CASE STUDY	260
5.4.1 DESCRIPTION OF THE FIRM: FROM LEGEND TO LENOVO	263
5.4.2 BACKGROUND OF IBM PCD CROSS-BORDER M&A DEAL	271
5.4.2.1 THE MARRIAGE BETWEEN LENOVO AND IBM PCD	272
5.4.2.2 NEW LENOVO SINCE 2005	274
5.4.3 DYNAMIC CAPABILITIES DEVELOPMENT AND EXECUTION	276
5.4.3.1 EX ANTE M&A CAPABILITIES	277
5.4.3.2 EX POST M&A INTEGRATION PROCESS	290
5.4.3.3 DYNAMIC MANAGERIAL CAPABILITIES	297
5.4.3.4 ORGANIZATIONAL LEARNING	311
5.4.3.5 LENOVO M&A BASED GROWTH MEASUREMENT	315
5.4.4 LENOVO CASE SUMMARY	319
5.5 CHAPTER SUMMARY	319
CHAPTER 6 CROSS-CASE STUDY	321
6.1 SIMILARITIES BETWEEN TWO CASE STUDIES	321
6.2 DIFFERENCE BETWEEN TWO CASE STUDIES	322
6.2.1 DIFFERENCE IN EX ANTE M&A CAPABILITIES	323

6.2.2 DIFFERENCE IN EX POST M&A INTEGRATION	328
6.2.3 DIFFERENCE IN DYNAMIC MANAGERIAL CAPABILITIES	331
6.2.4 DIFFERENCE IN ORGANIZATIONAL LEARNING	335
6.2.5 DIFFERERECE IN PERFORMANCE	339
6.3 OTHER FINDINGS	341
6.4 SUMMARY	343
CHAPTER 7 DISCUSSION AND CONCLUSION	347
7.1 PROPOSTIONS FROM CROSS-CASE STUDY	348
7.2 KEY SUCCESS FACTORS IN CROSS-BORDER M&A	351
7.2.1 CHINESE CROSS-BORDER M&A AND MANAGEMENT	352
7.2.2 CROSS-BORDER M&A AND DYNAMIC CAPABILITIES	353
7.2.3 CROSS-BORDER M&A AND ORGANIZATIONAL LEARNING	358
7.2.4 CROSS-BORDER M&A AND STRATEGIC INTEGRATION	359
7.2.5 BENCHMARKS FOR A PROFITABLE M&A BASED GROWTH	359
7.3 CONTRIBUTIONS OF THE RESEARCH	360
7.3.1 THEORETICAL CONTRIBUTION	360
7.3.2 PRACTICAL CONTRIBUTION	365
7.4 LIMITATIONS OF THE STUDY	369
7.5 FUTURE RESEACH DIRECTIONS	369
7.6 CONCLUSION	370
REFERENCE	371
APPENDIX I: INTERVIEW GUIDES	402
APPENDIX II: SITUATING THE RESEARCHER IN THE STUDY	408
ABOUT THE AUTHOR	410