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Title	TRANSFERRING KNOWLEDGE AFTER ACQUISITIONS – communicating across business units		
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Abstract

Acquisitions have become part of everyday business life, and due to the knowledge-based competition, the motive behind acquisitions increasingly is the access to the target company's knowledge base. Subsequently, the transfer of this knowledge across business units may contribute corporate renewal and provide firm sustainable competitive advantage. Knowledge transfer, however, is a complicated process and the stressful environment after acquisitions tend to further impede the knowledge transfer. Frequent and open communication is an essential facilitator of acquisition implementation, and a vital factor in the building of knowledge transfer network. Thus, the main purpose of this study was to analyse *the process of transferring knowledge across business units after acquisition in knowledge-intensive industries*, and it was explored through the following sub objectives:

- To understand how the knowledge-intensity influences on the acquisition process
- To describe how knowledge transfer is facilitated with communication after the acquisition.

The purpose of the study was approached through construction of a theoretical framework which included views of theories related to issues such as acquisition process, knowledge intensity in acquisitions, integration management, and communication. This qualitative research was conducted by analysing two acquisition cases. The empirical data was gathered through theme interviews in two target firms which were acquired by multinational companies in 2002.

The main findings of this study were that in knowledge-intensive industries, the task integration may require considerably time, particularly if the motive behind acquisition is vertical or conglomerate. The post-acquisition integration is facilitated by the participation of the acquired unit's key persons in the whole acquisition decision-making process, especially when the target firm is small and entrepreneurial. Moreover, the autonomy given to the target unit enhances the possibility of a rather uncomplicated post-acquisition integration process but it reduces the likeliness of knowledge transfer. Furthermore, both post-acquisition integration and efficient transfer of knowledge and synergy entail matching of employees in different business units. Thus, communication has a vital role in both processes. Information technologies are an essential facilitator of knowledge transfer process but they are without relevance unless the personal relationships and networks across business units work well.

Key words	Acquisitions, communication, knowledge-intensity, knowledge transfer,
Further information	