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ORGANIZATIONAL PERFORMANCE IMPROVEMENT USING THE BALANCED SCORECARD APPROACH: THE CASE OF AN ACQUIRED TELECOMS COMPANY

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ABSTRACT: It is not out of place at all for stakeholders to demand for performance figures after a while in post-M & A era. Outcomes are expected to match with merger or acquisition motives. The concept of organizational performance is related to the survival and success of an organization. The general objective of this work was to contribute to the general body of knowledge and research work in the area of post-merger and acquisition organizational performance and performance improvement in the Telecommunications industry. To achieve the general objective, the research was aimed at exploring how a balanced scorecard approach could be employed to analyze how to improve upon post acquisition organizational performance on periodic basis; that is to align business activities to the vision and strategy (medium to long term) of the organization, improve internal and external communications, and monitor organization performance against strategic goals. A framework was developed based on the balanced scorecard to show how a typical acquired Telecom company's performance could be improved on periodic basis. This model or framework can be used by managers of acquired Telecom companies as it presents a holistic performance improvement strategy to ensure overall creation of value for shareholders.

KEYWORDS: merger, acquisition, telecommunications, performance, improvement, framework.

1 BACKGROUND

The general objective of this work is to contribute to the general body of knowledge and research work in the area of post-merger and acquisition organizational performance and performance improvement in the Telecommunications industry.

To achieve the general objective, the research will be aimed at addressing the following specific objectives:

- To explore how a balanced scorecard approach could be employed to analyze how to improve post acquisition organizational performance on periodic basis; that is to align business activities to the vision and strategy (medium to long term) of the organization, improve internal and external communications, and monitor organization performance against strategic goals.
- To explore how employees, customers, potential customers, and the organization itself (processes and inanimate resources) affect post- merger and acquisition organizational performance.

The balanced scorecard was developed by Drs. Robert Kaplan (Harvard Business School) and David Norton in 1996 as a performance measurement framework. Good performance of an acquired Telecom company can be looked at from many fronts; increased market share, increased profits, increased revenues, etc. These performance measures are measured or recorded over a period of time and presented in a report to depict the performance for that particular period. Until this report is out, management in most cases do not actually have a clue as to what is happening within the period. At best, they can rely on the report to avert future occurrences, in the case of poor performance, or improve upon performance, in the case of good performance. This work explores the balanced scorecard which actually presents a performance improvement approach or framework on daily basis. With the balanced scorecard, performance can be monitored on periodic basis. The fact that there is some level of increase in market share, or that the financial ratios are quite favorable during and after the integration stage, does not suggest that nothing should be done to improve upon performance. Performance needs to be improved for a number of reasons; to create wealth for shareholders, for the sustainability of the business, for the expansion of the business, and so on.

1.1 M & A OUTCOMES

M & A outcomes are best looked from industry point of view [1], as well as from the motives. Generalizing all M & A outcomes or performances may present inaccurate conclusions.

For a telecommunications industry, increase in market share after M & A means a lot in terms of performance. This may not increase revenues considerably, but is still seen as a positive development regardless. To a food and beverage industry, the most important measure may be revenues.

The motive for going for a merger for a telecom company may be different from the motive for an oil company, and so once the motives are achieved, performance cannot be said to be poor.

1.2 POST- M & A ORGANIZATIONAL PERFORMANCE MEASURES

The concept of organizational performance is related to the survival and success of an organization. The measurement of the organizational performance is very important in service organizations as well as in manufacturing organizations ([2], [3]), as cited in Asree, Zain, and Razalli [4]. Gronroos [5] pointed out that service firms (e.g. Telecommunications companies) must focus more on building customer relationships rather than on short-term transactions [6], as cited in Asree, Zain, and Razalli [4].

Bharadwaj et al. [7] stressed that in service organizations such as hotels, this is even more critical because of the nature of their business which is more focused on human skills and intangible assets. There are two ways of measuring performance, i.e. using objective and subjective measures [4].

The objective measure uses real figures from organizations while the subjective measure uses perception of respondents ([8], [9]) as cited in Asree, Zain and Razalli [4]. Real figures from financial statements as an example are used to measure performance of organizations over a period of time. Performance measured in this way therefore, gives a reflection of what happened in the immediate past, and based on that, corrective measures put in place for the future. Perceptions of respondents on the other hand are “real-time”. With this method, performance can be measured and corrective measures put in place almost at the same time. If performance is to be improved on daily basis, this is the method to go for, and this study adopts it, since the focus is improving organizational performance on daily basis to create shareholder value.

According to Pennings and Lee [10], three performance measures have received a great deal of attention in M & A studies. Firstly, they talked about financial performance measures such as abnormal return in share price around the announcement of the M&A, as cited in Lubatkin [11], Return on Assets, Return on Equity, Net profit Margin, Revenues, EBIT(earnings before interest and Tax), Net Profit, and so on. These financial measures can be again grouped into two in terms of the time frame the gains are seen or realized.

With the abnormal return in share price around the announcement, the gains are realized far before the integration stage, but with the return on assets, return on equity, net profit, and so on, the gains are realized or seen after a time, at least after a year. These measures fall under the objective type talked about earlier.

Secondly, Pennings and Lee [10] talked about longevity of the expansion following M&A as cited in Pennings et al. [12]. Longevity of the expansion following M & A may be dependent on a number of factors. Depending on the particular type of agreement entered, regardless of the expansion brought about by the M & A, the acquirer may not wish to continue to own the firm beyond some point in time. In this particular instance, longevity may not be a good measure of M & A performance. Some of the factors that can affect longevity are political (e.g. change of Government), inability of the acquirer to meet targets within stipulated period, even though there has been significant and considerable expansions, and hence the curtailment of the contract (that is if meeting targets are a condition for the continuation of contract beyond some point in time).

A third class they talked about consists of primary data such as interviews and field studies regarding M&A performance, job satisfaction, and employee turnover rate, as cited in Greenwood et al.[13]. These measures fall under the subjective type of measure. Quantitative techniques can however, be introduced for the analysis to present subjective views objective as much as possible.

Again, according to Pennings and Lee [10], research on post M&A performance is divided along the lines of complementarity and compatibility.

Research on complementarity has focused on implications for financial performance, as cited in Lubatkin [11], and Singh and Montgomery [14]. The methodology widely used in these studies is "event study," which has its basis in the capital assets pricing model of financial economics. Studies dealing with compatibility rely mostly on non-financial performance indices, as cited in Buono and Bowditch [15], Greenwood et al. [13], and Napier [16], and are based on ethnographic methods.

Other researchers have also grouped empirical studies regarding post-merger performance into *event studies, accounting studies, clinical studies, and executive surveys.* Pennings and Lee [10] consider stock dynamics (event studies) as part of financial measures, but in other studies, it is separated from financial measure. Event studies simply measures the abnormal returns to the shareholders during the period surrounding the announcement of the merger. Accounting measures typically employs the use of financial statements and ratios to compare performance of the acquiring firm before and after the merger of acquisition.

According to Bruner [17], Executive surveys are a primary source of information collection whereby managers are asked about the success or otherwise of the merger or acquisition. In this method, standardized questionnaires are given to these managers to respond, which form basis of generalized views on post-merger or acquisition performance.

Again, according to Bruner [17], a clinical study is when one case or a small sample is studied in great detail or depth, and insights derived from field interviews with executives and knowledgeable observers. Jensen [18] pointed out that clinical studies are done to fill in the gaps left by the study of the stock returns and accounting performances.

1.3 FINDINGS ON M & A PERFORMANCE

It is not out of place at all for people or stakeholders to demand for performance figures after a while in post-M & A era. Outcomes are expected to match with merger or acquisition motives. From years of M & A research however, this is not so. Hopkins [19] commented that acquisitions, in general, do not appear to result in an increase in value nor do they lead to strong financial performance, and more especially with respect to the acquiring firm. However, there is some evidence that related acquisitions and cross-border acquisitions with certain characteristics do add value. Though research on cross-border or international acquisitions has trailed behind its domestic counterpart, some studies present evidence suggesting that cross-border acquisitions outperform purely domestic ones [20] as cited in Hopkins [19]. In the Telecoms industry in Ghana, all the acquisitions so far have been “related” and “cross-border”. The growth in the Telecommunications industry in Ghana therefore, lends credence to the findings of Shimizu et al. [20]. Regardless of this, there have been serious challenges with performance of acquired Telecommunications companies over the years; especially when the state owned Telecommunications were involved. Performance improvement issues are therefore, very relevant worth researching into.

A recent and fascinating study found that high tech cross-border acquisitions do indeed create value if the deal has certain characteristics [21]. Using a sample of 503 high-tech cross-border mergers and acquisitions, the authors found that the acquiring firm achieved positive valuation results when the target firm had high visibility as a result of media coverage, and was approved of by a top investment bank. Thus, if the acquirer can properly market its deal to the public and investment community, positive results are likely to result [19]. Kumar [22] pointed out that event and accounting studies show small or non-existent gains.

With event studies, the abnormal returns is essentially the difference between the raw returns which is simply the change in share prices and a benchmark index like the one calculated by Capital Asset Pricing Model(CAPM) or Standard and Poor’s (S & P) 500, etc. [23].

Research has shown that before the announcement, the acquiring firm may be performing well in terms of stock performance (i.e. fairly positive). On announcement, the situation may be mixed, and after the announcement of the merger or acquisition, negative. This negative trend can continue for a few years [24].This situation is not so for the target firms. With the target firms, research has shown that share returns are positive for the target firms even a day prio to announcement to a day after announcement(3 days), and this can continue to be so for even decades[25]. Loughran and Vijh [26] revealed that cash financed mergers do better than stock financed ones.

For accounting measures, the purpose is not only to measure performance in a post-merger/acquisition era, but also to compare acquirer’s performance with non acquirers to see if it is worth it going for merger or acquisition in the first place [27]. From research it is concluded that mergers and acquisitions do not improve the operating performance of acquiring companies. Meeks [28] in the study of the impact on UK companies concluded that in the long run the profitability reduces drastically below the pre-merger levels, sometimes to the extent of 50%. The same results was realized when Ravenscraft and Scherer [29] worked on US companies. Dickerson et al. [30] did some work on a cross-section of UK companies, and their results are even more serious. They came out that acquisitions have a detrimental effect on company performance, and can lead to additional and permanent reduction in profitability. In a study of Indian companies from 1999 to 2002, Kumar [22] found out that the acquiring companies do not have any better operating performance.

Executive studies are mostly not treated with importance, but they do equally supplement large samples of scientific studies [31]. Bruner [31] revealed that when 50 executives were interviewed in a survey, respondents said 37% of deals created value for the buyers, and only 21% achieved the buyer's strategic goals. Again, a study conducted by Ingham, Kran, and Lovestam [32] revealed that 77% of 146 CEOs surveyed believed that there was increase in the short term profitability after the merger, and 68% believed that the profitability increased in the long run. Because of these positive results, Bruner [31] is of the view that it may be due to better information or ego. This *"problem of ego"* could be arrested if the scope of the respondents is expanded to cover all the levels of management. This will capture from the lower to the top levels of management for a fair and comprehensive view of the actual situation on the ground.

Clinical studies, though are specific M & A studies, can be used to make generalizations especially when dealing with entities in the same industry or sector with similarities in operations, and so on. The attempted merger of Volvo and Renault failed because of disbelief in merger synergies and transfer of control to Renault [31].

Also a study of the merger between AT & T and NCR revealed that the failure was as a result of 3 factors: management objectives were not consistent with maximizing shareholders wealth, managerial overconfidence or hubris, and ignorance of available information.

Rovit and Lemire [33] suggested that multiple acquirers (i.e. 20 or more deals within 1986-2001) performed best when they made systematic and efficient deals taking into consideration the economic cycle of the economy. Studying 724 bidders making 7,475 deals within 15 years, they reported that those who made 20 or more deals enjoyed almost 1.7 times more returns than those who completed 1 to 4 acquisitions and almost twice as much as those who did not get involved in the merger game, as cited by Vagenas-Nanos [34]. On the other hand, Hayward [35] finds that acquisition experience is not enough to generate superior acquisition performance; however, firms are more successful when they acquire companies that are in a reasonably similar business, as cited in Mcdonald, Coulthard, and de Lang [36].

Tuch and O'Sullivan [37] did a complete review of the impact of acquisitions on firm performance by looking at event and accounting studies as types of performance measurement, and also the effect of bid characteristics on M & A. They concentrated their review on studies that dwelt predominantly on US and UK companies. This study summarizes their work as shown in tables 1 and 2 below.

Table 1. Summary of findings on M & A performance using Event and Accounting studies

Number of researchers	Period of study	Countries involved	Type of performance measurement	Conclusions/Outcomes
16	1969-2001	US and UK	Event studies - short run	Despite the event window chosen (for example, four months before the announcement and, up to three months after the announcement), however, the overall evidence suggests little if any possible returns to shareholders in acquiring companies. More recent studies appear to document increasingly negative performance of acquirers. It is also worth noting that recent evidence from other countries tends to be more positive than findings documented for UK and US. For example, Campa and Hernando [38] report insignificant gains from a sample of Continental European takeovers, while Ben-Amar and Andre [39] report positive announcement returns from a sample of listed Canadian acquirers.
14	1955-1998	US, UK, EU,	Event studies- long run	Overwhelmingly negative. The authors find that acquirers lose around 20% over three years. Hence, the overwhelming consensus is that shareholders in acquiring companies suffer significant wealth losses when long-run returns are considered.
10	1948-1996	UK, US, MALAYSIA	Accounting studies	Performance measured by using accounting performance measures is mixed. Research in this area is still developing, and findings are difficult to compare as the methodologies still vary widely. Overall, however, when conventional accounting measures are used, the evidence is somewhat mixed but there is no clear evidence of improved post-acquisition performance.

Source: *Summary of the work of Tuch and O'Sullivan [37]*

Table 2. Summary of findings on M & A performance looking at bid characteristics of M & A

Number of researchers	Period of study	Countries involved	Bid Characteristics of M & A	Conclusions/Outcomes
12	1958-2000	UK, US, EU	Mood (friendly or hostile)	The available evidence suggests that returns to acquirers involved in hostile bids may be more positive than for those companies completing unopposed takeovers. Early short-run event studies reveal positive abnormal returns from opposed bids ([40], [41]). More recent work by Walker [42] reveals significantly negative short-run returns for unopposed bids, while returns from tender offers are significantly different from zero. Goergen and Renneboog [43] report negative abnormal returns from hostile bids and positive abnormal returns from mergers. Taking a longer-term perspective, Agrawal et al. [44] and Loughran and Vijh [26] find no evidence that abnormal returns to acquirers in tender offers are statistically different from zero over five years after the acquisition. However, subsequent studies by Rau and Vermaelen [45] report higher returns for acquirers in tender offers. It should be noted though that, since the mid-1990s, the likelihood of target hostility has reduced significantly [46]. Furthermore, owing to the use of different secondary data sources for acquisitions, there exists a range of different definitions of 'hostility', and this makes the comparison of research findings more difficult [47].
10	1967-2001	US and UK	Payment method(cash or equity)	Bids financed with cash experience insignificant losses. Overall therefore, the available evidence suggests that cash acquisitions perform better than equity bids. The findings in respect of payment method are complicated somewhat by a positive association between payment with cash and hostile acquisitions. The more negative returns associated with equity payments may be partially explained by the belief that investors associate such issues with the firm being overvalued and discount the firm's stock accordingly.
7	1959-1997	US and UK	Industrial relatedness of bidder	Research on the impact of industrial relatedness on performance suggests that pursuing related acquisitions results in better performance, with conglomerate acquisitions showing more negative returns. More recently, researchers have begun to examine the direction of causality with studies showing that poor performance may influence the likelihood of firms undertaking unrelated acquisitions rather than the other way round.
9	1969-2001	US and UK	Pre-bid performance on acquirer gains	Emerging evidence show that glamour acquirers (high price to earnings ratio) make less profitable acquisitions. Current research incorporating the pre-acquisition performance of acquirers is also capable of providing further insights on the role of managerial hubris in acquisitions. Essentially, it appears that strong market performance may encourage managers to pursue an acquisition strategy in the belief that they can do no wrong but which is ultimately detrimental to shareholder wealth.

Source: *Summary of the work of Tuch and O'Sullivan [37]*

From the above tables(Table 1 and Table 2), and the discussions so far on M & A performance, one thing is clear, and that is M & As do not necessarily create wealth for shareholders. In the event that it creates wealth for shareholders, it is insignificant. This should be a matter of great concern to all stakeholders taking into consideration the huge sums of money that are exchanged to seal M & A deals. In the light of the above, the literature for this study will not be complete without reviewing past studies on performance improvement methods/strategies, and also proposing how to improve upon post M & A performance.

2 MATERIALS AND METHODS

A comprehensive literature review is conducted on performance measures and post M & A performance to get a clear picture of what actually happens after the deal is sealed. Discussions cover achieving and improving M & A performance, and the balanced scorecard is introduced as a framework for improving post M & A performance of an acquired Telecom company. This work does not just mention the framework, but shows how it can be applied practically.

3 RESULTS AND DISCUSSIONS

3.1 ACHIEVING AND IMPROVING POST M & A PERFORMANCE

Having considered how to measure performance and the theoretical findings on performance, it is imperative to know or understand how performance is achieved in post-merger/acquisition era. Here also, there are a number of viewpoints. These viewpoints are strategies that are employed to ensure good performance in a post-integration stage. These strategies are mostly operational strategies aimed at ensuring good performance at the end of the day. In terms of operations, and in relation to the telecoms sector, we can make mention of the process based strategy which incorporates the activity based and resource based strategies. According to Gruchman [48] there is no single point of view (and probably cannot be) that captures organizational life and behavior in all its complexity. However, there should be a view that captures at least the most important elements, and neither the Activity-based View (ABV) nor the Resource-based view (RBV) has that virtue. The following is what Gruchman [48] has to say about the two views above:

"Each perspective has its own merits; each also has its limitations. Activities cannot be fully separated from the resources required for their execution, except for highly abstract dependency and interaction considerations. Without resources, activities obviously cannot be performed, and the way they are performed is shaped by resources. On the other hand, some resources can happily exist independently of their being used, but without use, they are worthless. Even valuable and rare resources can be underutilized or applied improperly, leading to their deterioration and waste. Therefore, it looks like the truth lies in between, as it always does. A careful look reveals that each of the two views addresses conceptually only a part of the most crucial business performance success factors".

From a Process-Based View (PBV), the company is neither a gathering of activities nor a pack of resources. It is both at the same time, perceived as a system of processes and activities, enabled by resources and capabilities. In summary, the PBV rests on the following key concepts:

- Processes are composed of structured, coordinated activities
- An activity is performed by one or more people
- An activity is composed of tasks, elementary units of work
- A task is performed by one person, software transaction or functional module
- Resident resources provide an execution platform for processes and activities
- Process and activity execution is driven by capabilities

To improve upon performance goes beyond just the PBV and the strategies discussed, and that is the focus of this work. Literature on M & A performance improvement like integration strategies is not well coordinated, very disjointed, and has many dimensions. Researchers have looked at performance improvement from two angles: by improving the Content of Acquisition Strategy and also by improving the M and A Strategy Process.

By improving performance with the content of acquisition strategy, researchers sought to identify a myriad or countless of factors that seemed to influence the profitability of M & As. The aim was to identify what distinguishes good from bad acquisitions, as cited in Cornnell [49]. Some of these factors under this scope are:

- **Characteristics of the acquirer** – for example, amount, nature, timing and performance of past acquisitions ([50], [51], [52]).
- **Characteristics of the candidate** – for example, historical growth rate, market share, profitability, industry ([53], [54], [55], [51], [50], [56]).
- **Aspects of the relationship of the parties in the dyad** – for example, degree of industry relatedness or "type" of acquisition (such as horizontal integration, vertical integration, conglomerate), and relative size ([56], [14], [54], [57], [11], [55]).
- **Nature of the deal** – for example, timing, mode of payment (equity or cash), form (such as merger, tender offer) ([51], [53], [58], [59]).

Outcomes from these research works can be used to form the content of strategies to improve organizational performance. This is how Cornnell [49] put it:

"Various combinations of the correlates, however, can be used to help a firm set objectives for an M and A effort, or to highlight potential problem areas, or they can be translated into criteria for screening and ranking sectors or candidates".

Researchers who push for the process view as a way of improving performance argue that good processes can be distinguished from bad ones, and that bad ones may result in poor outcomes. Poor outcomes can therefore be avoided, and as a result improve performance. This is what Cornnell [49] had to say about the process view:

"Performance may, for example, be improved by selecting, in a non-political consultative process, an approach to integration that optimizes trade-offs between the desire for control and autonomy of the two parties in light of the requirements of the acquirer to derive the synergies that justified the acquisition" .

There is no distinct strategy that sticks out as standing alone that is used to improve upon performance. Content scholars argue that strategic fit sets an upper limit on the potential for a candidate to meet an acquirer's objectives, and organizational fit is viewed as a constraint. Building on this, process theorists also consider strategic and organizational fits as the content on which M & A decisions are based. Pablo et al. [60] on the other hand argue that the content determines the upper limit for success, but the extent to which the limit is reached, however, is influenced by the decision making process.

Soderberg and Vaara [61] also suggested that variables in various decision making models include the people, cultures and politics that are also relevant to organizational fit, as cited in Cornnell [49]. These are all traditional views of improving performance which is limiting.

A number of improvement methods have been put forward over the years based on content, process, or a combination of both content and process views (traditional views). Some of them are as follows, as cited in Cornnell [49]:

- formulating better and more explicit rationales for making acquisitions
- incorporating measures of the potential for asset, skill and capability transfer into definitions of strategic fit (and the criteria that comprise it)
- analyzing both strategic fit and organizational fit to minimize poor choices
- Determining appropriate valuations can be by using models and tools to discount cash flows or support use of other valuation techniques [62] and analytical tasks.
- Following optimal procedures for due diligence ([63], [64]).
- Selecting the best payment methods, modes and timing.
- Identifying and dealing in part with psychological, organizational and other process impediments to rational decision making to minimize biases and distortions in choices and to create a positive climate for implementation ([65], [66]).
- Managing issues related to "human capital' in a better way to achieve integration goals ([67], [68]).

These performance improvement approaches are all based on the assumption of minimizing or reducing M & A failure from the perspective of the M & A process, right from the decision to acquire through to the post-acquisition integration era. What this study does differently is to consider as part of all that have been discussed, the contribution of customers as well as potential customers in this whole post- M & A integration performance problem. This introduces us to the discussion of the balanced scorecard, a model that is employed in this work as a basis for analysis for M & A performance improvement of the telecommunications industry.

3.2 THE BALANCED SCORECARD

The development of the balanced scorecard method arose because many business organizations saw that focus on a one-dimensional measure of performance (such as return on investment or increased profit) was inadequate, and also these measures are always known at the end of the financial year. Too often, bad strategic decisions were made in an effort to increase the bottom line at the expense of other organizational goals. The theory of the balanced scorecard suggested that rather than the focus, financial performance is the natural outcome of balancing other important goals. These other organizational goals act together to support first-rate overall organizational performance. If any individual goal is out of balance with other goals, the performance of the organization as a whole will suffer. The balanced scorecard system also stresses articulation of strategic targets in support of goals. In addition, measurement systems are established to provide data necessary to know when targets are being achieved or when performance is out of balance or being negatively affected.

Kaplan and Norton [69] in developing a balanced scorecard looked at a company from four perspectives:

- ***Financial***: How do we look to shareholders?
- ***Internal business processes***: What must we excel at?
- ***Innovation and learning***: Can we continue to improve and create value?
- ***Customer***: How do customers see us?

By viewing the company from all four perspectives, the balanced scorecard provides a more comprehensive understanding of current performance.

To improve upon performance, this work employs a modified balanced scorecard framework (see Table 3), and identifies six areas critical to a Telecommunications business for performance improvement in a post M & A integration era. These areas are:

- The employee
- The customer
- The potential customer
- Internal Business Processes
- Innovation and learning, and
- The financials

The author argues that if the first five factors are looked at critically and strategically, the sixth one (the financials) will always be improved. The author has included the employee and the potential customer to make the elements six. For an acquired company, the employee can never be removed from the equation that seeks to solve performance issues. It has been proven from literature that the human factor is the leader cause for M & A failure. The potential customer is needed on board to improve revenues, market share, etc. which are all measure of good performance for an acquired Telecom company.

In creating a balanced scorecard to suit a particular setting, it is important to list all the critical success factors (CSFs) derived from the broad objectives and goals of the organization, representing the organization’s medium term to long term strategy. These critical success factors are normally stated and also explained with a question. Then the next thing is to define the objectives of the critical success factors.

Each success factor can have a number of objectives; the objectives answer the question, “why that success factor?” After setting up the objectives for the various success factors, the final thing is to find how those objectives can be measured to see whether you are progressing and meeting your targets or not.

The assumption employed in this study, which has a theoretical backing ([65], [66], [70]) is that, it is the integration stage that is most critical, and also contributes most to poor performance, and hence must be the stage in the whole M & A process that must receive the most attention when it comes to performance improvement in a post-M & A era. The framework is represented in table 3 below.

Table 3. Framework based on the balanced scorecard for an acquired Telecommunications company.

ITEM	CRITICAL SUCCESS FACTOR	OBJECTIVES	INDICATORS FOR PERFORMANCE MEASUREMENT
1	**Customer:** How do customers see the organization in terms of Alternative Attractiveness, price, value offered, Service quality, brand image, and CSR? **NB:** Based on Customer Relationship Marketing tactics typical of a service industry ([71], [72])	**1.** To improve upon Customer trust which ultimately leads to customer retention	Number of active/inactive customers, traffic values, call volumes, Volume of data flow, Number of sessions, customer feedbacks, customers response to promotions, adverts, new products and services, Answer Seizure Ratio(ASR), Call completion ratio(CCR), Call drop rate, etc.
		2. To improve upon Customer satisfaction which ultimately leads to customer retention	Number of active/inactive customers, traffic values, call volumes, Volume of data flow, Number of sessions, customer feedbacks, customers response to promotions, adverts, new products and services, Answer Seizure Ratio(ASR), Call completion ratio(CCR), Call drop rate, etc
		3. To improve upon Customer Loyalty which ultimately leads to customer retention	Number of active/inactive customers, traffic values, call volumes, Volume of data flow, Number of sessions, customer feedbacks, customers response to promotions, adverts, new products and services, Answer Seizure Ratio(ASR), Call completion ratio(CCR), Call drop rate, etc
2	**Potential Customer:** How do potential customers perceive the organization in terms of alternative attractiveness, price, value offered, Service quality, brand image, and CSR? **NB:** Based on Customer Relationship Marketing tactics typical of a service industry ([71], [72])	To attract the potential customer to become a customer **NB:** This is very crucial in the era where most countries are fast reaching mobile saturation.	Number of potential customers signing on daily to become customers, number of potential customers porting to owns network, potential customer feedbacks, potential customers response to promotions, adverts, new products and services, etc.
3	**Employee: 1.** How do employees see the company in terms of the company's ability to meet their various needs? **NB:** Needs based on Alderfer's modified approach of Maslow's hierarchy of needs theory: Existence needs, relatedness needs, and Growth needs. **Premise:** When employees needs are met, their performance, and for that matter, Organizational performance improves.	**1.** To improve existence needs like salary, pleasant and safe working conditions, recreational settings, job security, company benefits, etc of the employee.	Feedback from employees, Salary improvement plan, adequate safety tools and materials as well as Punishment procedures for non-adherence, plans for various benefits, etc.
		2. To improve relatedness needs like cohesive work group, friendly supervision, professional Associations, social recognition, etc of the employee.	Feedback from employees, Payment procedures for employees who join professional associations, strict directions as to how to supervise direct reports, strict directions to ensure mutual respect for each other, etc.
		3. To improve growth needs like a challenging job, opportunities for creativity, achievement in work, advancement in the organization, etc of the employee	Feedback from employees, reward schemes for achievers and creative individuals, good employee promotion scheme, schemes and policies that allow employees to work free of being victimized, staff development schemes, etc.
	Employee: 2. How do employees see the company in terms of the changes in the Integration stage? Changes are initiated by the acquirer. Can compatibility and complementarity be achieved to improve performance? The employee is the direct person who gains or suffers from these changes, affects his/her performance, and ultimately the performance of the organization.	To improve upon existing strategies and practices to achieve performance: strategies based on traditional content and process views of improving organizational Performance.	Feedback from employees, attitude towards work, agitation level, conflict level, synergy level, apathy level, level of enthusiasm, level of complaints, etc.

	NB: Changes are based on the elements of the strategic and organizational fits put forward by Jemison and Sitkin [73] [74]: training and development, cultural differences, structural changes, leadership styles of line managers, administrative/operational practices, remuneration, outsourcing/redundancy threats, Influx of expatriates/national returnees.		
4	**Financial:** How do we look to sharehold-ers?	To improve upon shareholders wealth	ROA, ROE, EBIT, Net profit, Profit margin, etc.
5	**Internal Business processes:** What must we excel at?	**1.** To improve upon operational work processes: this includes operational processes like request for change(RFC), Trouble ticketing, work orders, escalations, customer service requests(CSR), etc	Time lines, level of emergency situations, issues register, feedback from line managers, event register, portals, etc
		2. To improve upon project management processes: this includes the processes: planning, implementation, monitoring (reporting progress, and escalation Where necessary), and closure. It also includes improving risk and issue management, and managing change effectively.	Capitalization, recognized suppliers, recognized contractors, feedback from line managers, delivering projects within time frame, within budget, of high quality, and within scope.
		3. To improve upon administrative processes: this includes processes for taking leave, processes for overtime claims, Processes for engaging company vehicle, etc.	Feedback from line managers, level of complaints from employees, etc.
		4. To improve upon quality management processes	Feedback from line managers and employees as a whole.
6	**Innovation and learning:** Can we continue to improve and create value?	To improve upon Research and Development(R & D)	Periodic reports on surveys, reports on recommendations of innovation schemes, learning and development programs, publications, etc

Source: *Author (Godfred Yaw Koi-Akrofi)*

4 Conclusion And Recommendation

From table 3 above, some of the indicators can easily be measured, while others are not easy to measure. Some have a standardized way of measuring them, while for others, the organization itself would have to devise its own way of measuring them. At the end of the day, the most important thing is effective monitoring. This will ensure that performance is improved on periodic basis. How can this be achieved? Like management by objectives, measures are always put side by side standard or target measures. Negative deviation from the target will require that, that particular area of the business is looked at critically and improved. The cumulative effect of this process will ultimately enhance the performance of the organization on periodic basis. This approach is better and well suited for M & As where performance improvement is essential for the creation of shareholders value, and also to justify why the merger or acquisition was opted for in the first place.

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