IMPACT OF ACQUISITION AND MERGER ON THE FINANCIAL INSTITUTIONS OF PAKISTAN

Ghulam Mustafa*[1], Sidra Saleem[2], Saeed Fatima[2], Noor Ul Ain[2]

[1]Government College of Commerce, Multan

*Email: visitgmmultan@gmail.com (Corresponding Author)

[2]Department of Management Sciences, University of Central Punjab, Multan Campus

ABSTRACT - *The world has a changing nature and especially the circumstances in Pakistan are being changed every day. It is due the modifications in the environmental operations many companies especially those who have license like banks are merged together and agreed on mutual operations of the business. The system of financial institutions like banking area of Pakistan had completed almost twenty years of its tremendous change from Government owned banking sector to privatization of banking sector after the 2000. To explore that how the merger and acquisition can influence on the overall performance of the financial sector of Pakistan. Our study design is based on interlinked factors where the performance is affected by change in any factor. The study is significant in the context that it will update the available literature on the importance of merger and acquisition in Pakistan to investigate the performance through investors of the day, commercial activity of banks and other financial institutions as well. The research work would be beneficial to the existing literature on this all important topic also will help out to those banks which have an intention to be merged soon, they will come to know the effectiveness of their decisions.*

KEYWORDS*:* Financial Institutions, Banks, Merger, Acquisition, Finance.

1. INTRODUCTION

The world has a changing nature and especially the circumstances are being changed here every day. The word globalization has played its part in moving the dynamics of interaction at all levels of human activities. The mode of business in every sphere of life got changed entirely and made numerous achievements possible. Technological determinant is major factor in bring change in society as well as in the commercial sector. E- Commerce facility has connected the world and business community from different part of the world. By and large all what we have right now is due to the essence of globalization. Now we have to discuss the impact of globalization upon the financial performances of the firms under perfect competition in the world changing scenario. The term merging and acquisition has got pace after the 20th century, many countries showed their interest toward merging and acquiring the business together to share the profit and loss. The main motive behind the strategy was to minimize the stiff competition in the market. It is now difficult to organize the business at multinational level singe handedly, so it is one reason of merger and acquisition popularity in recent decades [1].

It is due the modifications in the environmental operations many companies especially those who have license like banks are merged together and agreed on mutual operations of the business. The terms and conditions discussed earlier by merging firms so that there would be settlement of any ambiguity make possible. Few of the motives were forwarded clustered around the maximization of the market access to enhance the power of sale, plus your capabilities, risk reduction measures, improvement of goods and services and to perform well in the rising competition among the market [2].

There are number of reasons behind the purpose of merging and acquisition one of them is to comprehend the short cut solution of finance which company often has to meet owing to lack of system of information [3]; owing the firm by exchange of new technology to achieve the limit to survive in a long term process [4]; and to get sound effects [5].

1.1 Merger and Acquisition

Merging means to get together many economic transactions at a single place in other words the centralization of economic activities which were being carried out from different units now carried out from same. Merger has a history; it has been in process since the old history of ancient times, many firms made alliances with their near ones to safeguard them and also get preference over others in the financial sector. In the beginning of 15th century trade at global level made possible due these alliances.

Commonly Acquisition is getting the possession of any land holding or business property, within the context of the business community acquisition means to purchase out any firm having interest to control it and to share the capital of company already existing. In spite of it the characteristics of merger and acquisition almost similar the company which is acquiring the parent company is often a large enterprise. The company in merger who has less amount of its capital usually has the least interference in the management as well as in the final decisions of some major issues [6].

1.2 Merger and Acquisition in Pakistan

The system of financial institutions like banking area of Pakistan had completed almost twenty years of its tremendous change from Government owned banking sector to privatization of banking sector after the 2000. First ever time major changes were made in financial sector of Pakistan during 1980s which continued its progress in the next coming decade. The major amendments made in this sector were the change in the shape of privatization of banks. It was the encouragement from the part of Government to private enterprises to do something good to boost up this ever declining area of the economy. The agenda behind was to improve the services of banking sector in order to share the maximum GDP of the country because mostly economic activities depends upon the banking sector, if this sector is going well it means the economy is going better. With the encouragement of the regulating authorities in the private sector to invest here the total number assets of Government banks reduced from almost 79% during 1990s to 20% in

2005. The overall ownership dilemma in financial sector raises some questions. Among the other crucial question one important question is what is the difference between the performance of banking sector before and after merger and acquisition? The investigation is in progress that either this change had worked in developing countries or not, there is need to explore the facts behind this issue which is the prime objective of this study [8].

1.3 Financial Performance VS Merger and Acquisition

Pandey [9] financial performance means how efficiently any firm uses its available resources, including valuable assets to produce revenue at the end of the process of production. Originally it is the measurement of performance statistically that how much a firm has achieved in term revenue in the end of the fiscal year. The researcher also having the point of view that financial performance the key of all aspects means real progress means financial improvement. The performance can be gauged by method of comparison, by comparing the progress of two adjacent years one can easily make conclusion about the work done by the firm in a given year; also by comparing the record maintained by competing firms in the market could be handy for evaluation. This research work is aimed at synthesis and analysis of all available literature on relevant topics and its influence on the overall performance of banking and finance sector. There is enormous literature which has utilized different strategies to find out merger and acquisition in Pakistan, which are accounting based; market based; varied measures and quality based. A good manager is aware of all these changing dynamics to compete with ever increasing sense of competition. The decisions of good quality managers in crucial time are always assets for the firm [9].

2. PROBLEM STATEMENT

Powell and Yawson [10], examined UK active acquires and found that those firms which are working under merger and acquisition are likely to be more profit seeking as compared to those which are working by their own growth rate. There was a lack of confidence in measurement of favorable relationship between the cause of merger and its impact on the total growth of the organization.

Dymski, G [11], evaluated seventeen companies which were working under a merger at a big level during the time between 1985 to 1998. He as a researcher found that there was no such a huge difference in the profit ratio due to the merging and acquisition. It is well known reality that merger and acquisition becoming highly popular in the shape of corporate sector in the recent decades. When we talk about the performance before and after this new term introduced in the business world there was a mix type of results found in this regard. It is helpful because it provides the variety of stakeholders and definitely will add up the capital investment to give life to the firm; as we know that capital is the blood of economy and capital can play a huge role in the development and even survival of the company [12].

3. OBJECTIVE OF THE STUDY

To explore that how the merger and acquisition can influence on the overall performance of the financial sector of Pakistan.

3.1 Significance of the Study

The study is significant in the context that it will update the available literature on the importance of merger and acquisition to investigate the performance through investors of the day, commercial activity of banks and other financial institutions as well. The research work would be beneficial to the existing literature on this all important topic also will help out to those banks which have an intention to be merged soon, they will come to know the effectiveness of their decisions. For those banks which are merged in this study would be beneficial for them to improve their performance with the help of this particular work.

When we say something about any financial institution, the word customer is the key to success or failure of this institution; this study is important because it will help the customers have a sense of merger and acquisition so that they would be able feels a sense of relaxation about their investment is in safe hands. Once the confidence of customer is achieved, then there is no hurdle to get success.

3.2 Limitations of the Study

There has always been a limitation in the way of research work in the form of propositions as being a researcher one has to make some predictions, if the results are inconsistent with the prediction that prediction can be served as limitation of that study. Secondly the data collected for the study was secondary data and secondary data is less reliable when compared with the primary data so it can be a limitation of the present study. The availability factor restricted researcher to gather it in the form of reports of the financial institutions rather than the availability of data on websites, which is often available for the research work. Some incomplete records of the firm behaved as a limitation of the research work. Rules and regulations of any country are managed and controlled by the Government over there, so any change or restriction does affect on the financial performance of the banking sector. It is predicted that if the regulations are customer friendly then the likelihood of investment and progress is more than the strict rules and regulations. Better and positive environment will give more profit to the financial institutions.

4. LITERATURE REVIEW

As per Trautwein, [13], the tax incentive hypothesis of mergers and acquisitions, tax Provision is an important incentive for mergers as it not only affects the decision to merge but also the way a merger is structured. He further argues that different ways of structuring a merger will have different tax consequences that includes an opportunity to carry over by the acquirer the net operating losses and unused tax credits, an opportunity to step up assets or use their new sales prices as a basis for depreciation, incentive provided by a lower income tax rate on capital gains than on dividends to retain earnings to acquire other firms and finally the opportunity for an acquiring firm to deduct from taxable income the interest payments incurred on acquisitions related indebtness.

Trautwein notes that businesses engage in a wide range of activities in seeking to exploit potential opportunities.

Mergers, tender offers and joint ventures play a crucial role in the way development o the financial firms working under financial regulatory authorities. Periodical growth is all important for the company. Incentive is a way to encourage the workers also help to bring up the morale of people working under a company. It is a universal rule that if the worker is happy and free out of any financial performance then he or she will work honestly like own business. The sincerity is directly proportional to the seniority of the firm towards its employees. The management decisions are important for the welfare of the department. The difference between mergers and to acquire is altogether same in its business bur there is little bit variability in them. The line of distinction between them is bleak and dim. The common definition of merging of institutions is to merge the financial assets of more than one company and to control the affairs of the company jointly. Let us take an example that A and B are two separate companies after merging to become company C by deciding the terms and conditions of joint working. Most often merging consists of two companies which are similar with respect to their assets.

There is a number of reasons behind the development of vertical mergers, Firstly, the economics of technology; secondly by eliminating the cost of reducing the new job searching facilities to coming workers, flexibility, collection of payment and advertisement may decrease the coordination and communication consumption. At number three; the planning of production and stock inventory can be well equipped with the help of better information system in the organization. Another factor may increase the efficiency which the sharing of capital assets of two companies being merged adds value to the existing assets of value addition. Vertical merger is also helpful in curtailing the various costs like, haggling expenses, assets being controlled by single firm and sense of single ownership. Vertical acquisition may contain more and forward process of production to minimize the outlet distribution expenditure, cost of material supply, in case of manufacturing involve toys have forward alignment and those of tire company's integration will involve backward movement in vertical merger and acquisition.

Muhammad [14], Ratios at financial level are clues to measure the total progress of the fiscal year, especially at financial sector of banking in any country. Financial statements, cash flow statements are tools of analysis. Ratios are effective in investigation of results of competitors in the market. Capital efficiency measures, solvency of the firm; getting profit is a key source to gauge the financial performance of banking sector in any country, so is the case in Pakistan (banking sector performance). The main purpose is to get to know about the performance before and the merger and acquisition so that one can make a distinction which a term merger can undertake in the field of banking.

Pandey [15], describes that if you want to measure the overall performance, then first you need to evaluate the return on assets. Return on assets and equity return are directly proportional to the amount of profit ratio.

The primary indicator to measure the efficiency of management is the measurement of return on equity. It also enables us to be aware about the managerial skills of the employees that either they are converting available resources to maximize profit or not. Increase in the earning is the evidence of good performance [16]. The net profit is calculated by a simple formula which we use:

Assets minus tax divided by total earning of the company or entity is presented in te research work that strong base of the organization depends upon the financial value also its solvency clustered around the financial soundness. It the professional duty of a firm to manage it through thick and thin to avoid the menace of solvency. Solvency can be avoided to improve the things like, recent ratio; liabilities at present; overall responsibilities; value assets; securities in the market and cash in the liquid or revocable form.

Dymski [17], capitalize the banks, they hold is decided by the authorities in a hurry situation because many other major functions are interlinked to it. Success is attached with the capital they have in the form of deposits. Customer satisfaction is a need of the day; in any case if consumer is dissatisfied then the bank has to wait the coming risk of failure hanging over the head. Debit and credit are two main transactions in the banks and are called conventional form of transactions as well.

Two types of capitals deal with the calculations. Wheel first can be said as a balance available in form sheet which inhale the losses in time of crisis and prevents the business being solvent. It is like a reservoir or a pool of assets. Wheel number second having the capacity of inhaling the loss a the time of dissolution gives the least chances for protection to the depositors. Secrete type of banking assets belongs to the second type of reserves. Consumer asset's return is a term which can investigate the liabilities of the bank under the consequences of distress means in the worst time of business activities. CAR supports the organization's assets are at risk.

Shanmugam [18], did a research study to dig out the fact that how merger and acquisition effects on the banking performance of Malaysia. During the investigation, he concluded that just merging is not enough to get better performance in the time tough completion in today, however it can be one influential factor in this regard. It is not only sign to determine the performance similarly other ingredients are also necessary. Other factors are expert's contribution, good professional skills and friendly rules and regulations to boost up the financial performance banking sector in the world.

The impact of mergers on the financial performance of the Royal bank of Scotland, the researcher tried to get out the idea of profit of the concerned bank due to the term merger introduced in the policy of the institution. Lets discuss the results of the work which are favorable ratio towards merger was only 29.90%. Which is less as compared to unfavorable ratio of bank performance? The results inclined more towards failure, than to success.

Mwangi [19], had done a study on the banking performance of insurance companies of Kenya. He selected few insurance companies then tried to find out their performance during the study period 1990s and in 2005. Total population of this research work is 42 registered companies of Kenya out of them sample of 6 companies was selected. The measurements of profit used by the researcher were profit ratio; adequate value of capital and solvency value. The statistics on profit ratio were compared pre and post merger includes the period of five years. The results showed that merger and acquisition did well since then as their profit ratio enhanced as compared to the pre merger profit value in the end of each successive years.

5. METHODOLOGY OF RESEARCH

5.1 Research Design

The study design is a design based on interlinked factors where the performance is affected by a change in any factor.

The topic under consideration is to learn how and one change in any of the variables has an ability to bring change in the adjacent variable and consequently an overall change in the results of the research.

5.2 Population of the Study

The population of the study is distributed as all the financial institutions (banks) where merger occurred during the time between 2005 -2010. The study has used second hand data from the available reports related to accounts of banks, financial institutions during the course of the period under investigation.

The current study is going to use second hand data available for the annually issued reports of account for the time period of the research work. Statement of finance to determine the financial foundation of a firm, cash flow statements and statement gives the impression of income (income statement) were collected for the time of 5 years post merger to find out the profit (CAR, ROE, ROA and EPS),the data was collected from printed data by financial statements and other documents of banks had merged.

HYPOTHESIS1: It is more likely that Merger and acquisition would be significant impact on the performance of the banks.

HYPOTHESIS 2: It is more likely that Merger and acquisition would last no impact on the financial performance of the banks.

5.3 Data Analysis

Three banks are taken as a population of the study out of them two is selected for sample from the annual audited reports of 2005 - 2010. Data is taken from:

Balance sheet; profit and loss statement; cash flow statement ws selected as a tool of measurement of banking performance during the study period.

Ratio level of analysis is selected for measurement to investigate the financial performance of the topic under study. Accounting ratios & pair sample T-test is used on firms merged and acquired before and after the time period of the study. The three types of ratios called accounting ratio used to analyze the profit ratio, which includes ROA; ROE; and EPS.

Table 1: Institutions of Pakistan Under Acquisition and Merger

Institution	Merged into	Date Approved.
MCB asset management company Ltd.	Arif Habib investment limited.	11-02-2011
Al- Baraka Islamic Bank	Emirates global Islamic Bank	15-11-2010

6. RESULTS AND INTERPRETATION

To find out results base on our populated data and hypothesis different institutions are analyzed. The major mergers of different banks are shown in table 2 as shown below:

Table 2: Arif Habib Bank ROA

Banks	2010	2011	2012	2013	2014	2009	2008	2007	2006	2005
MCB asset management	0.073	0.08	0.06	0.05	0.06					
Arif Habib investment limited	0.064	0.069	0.05	0.04	0.05					
Average	0.067	0.074	0.055	0.045	0.055					
Arif Habib investment limited						0.028	0.03	0.04	1.35	1.86

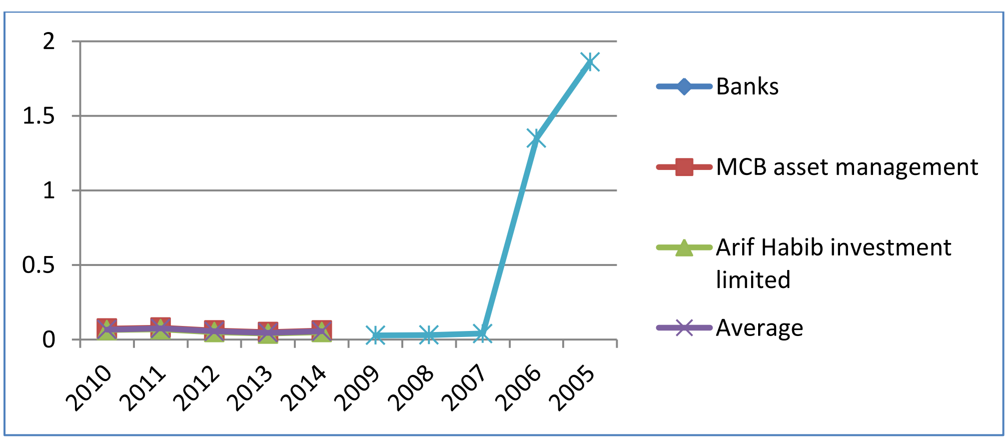

Figure 1: Arif Habib Bank ROA Comparison

The ROE of the mentioned institutions is shown in table 3.

Table 3: Arif Habib Bank Roe

Banks	2010	2011	2012	2013	2014	2009	2008	2007	2006	2005
MCB asset management.	0.010	0.14	0.10	0.04	0.05					
Arif Habib investment limited	0.03	0.04	0.03	0.06	0.09					
Average	0.065	0.09	0.065	0.05	0.07					
Arif Habib investment limited.						0.024	0.48	0.49	0.60	0.71

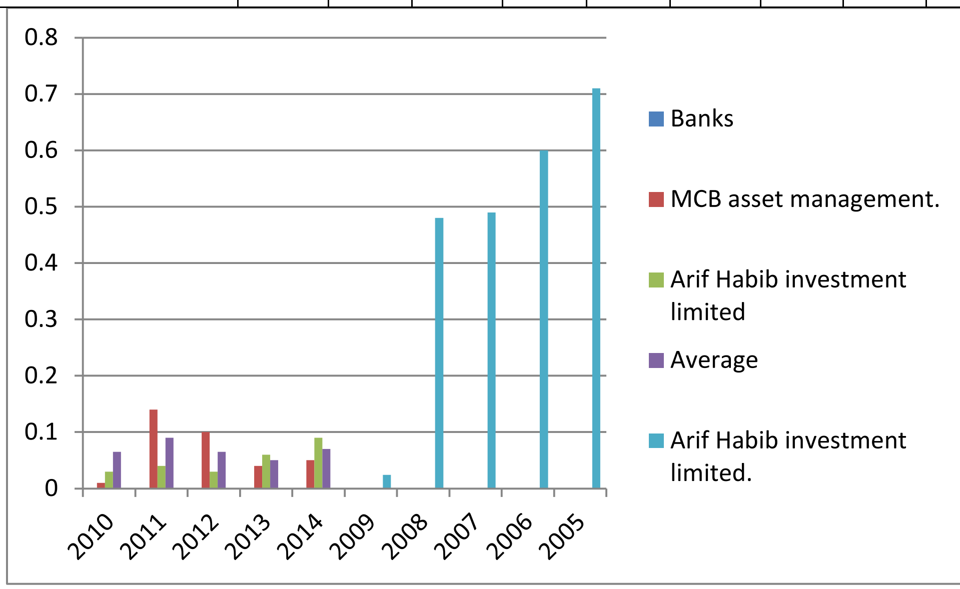

Figure 2: ROE of Arif Habib Bank

Table 4: Arif Habib Bank EPS

Banks	2010	2011	2012	2013	2014	2009	2008	2007	2006	2005
MCB asset management.	1.16	1.40	1.25	1.19	2.1					
Arif Habib investment limited	3.53	4.52	5.35	4.35	6.27					
Average	2.34	2.96	3.3	3.36	4.18					
Arif Habib investment limited						8.16	7.57	9.11	10.52	10.52

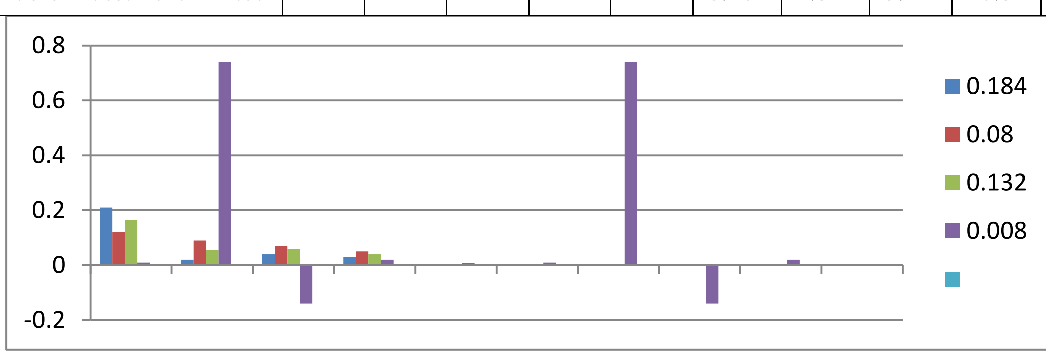

Figure 3: EPS of Arif Habib Bank

The Data taken from the financial statement of these banks. In table no. 2 the statistics are given about the (return on equity). The two merged into each other were MCB asset management into Arif Habib Pvt. Limited. The aim of the study is to calculate the return on assets before and merging these two firms. The impact of merger was to determine on the financial performance of institutions providing finance. So we calculated the return on assets of pre and post merger. Before and after results of both banks are given above in table, by analyzing the results it is obvious that the merger caused two fold results means in first year of merger ROA decrease while in the next year return on assets increased.

In table number three, researcher have calculated (ROE) of Muslim Commercial Bank asset management & Arif Habib Bank limited. The average return on equity of both the banks before merger was 0.065, 0.09, 0.065, 0.05 and 0.07 during the study period. In first year of merger the return on equity was increased by 29%, during second year it was further improved.

Table no.4 explains the total earning of two bank merger together, in order to make distinction between the performance before and after merger.

In table five the data is available about the two banks which are; HSBC and Mezan Bank. The table shows that the average return on assets was 0.01 in the first year, while 0.01 in the last year as well before the merger but in 2011, the average was ROA was 0.04. The lowest average year was 2013. By comparing the average pre-post merger years it is evident merger caused decline in average return on assets of those banks merged during the study period.

Table 5: Mezan Bank ROA

Banks	2010	2011	2012	2013	2014	2009	2008	2007	2006	2005
HSBC Bank	0.01	0.07	-0.04	-0.05	-0.05					
Mezan Bank	0.01	0.012	0.04	0.03	0.06					
Average	0.01	0.04	0	-0.01	0.01					
Mezan Bank						0.001	0.003	-0.06	-0.013	0.002

Table 6: Mezan Bank ROE

Banks	2010	2011	2012	2013	2014	2009	2008	2007	2006	2005
HSBC Bank	0.184	0.21	0.02	0.04	0.03					
Mezan Bank	0.08	0.12	0.09	0.07	0.05					
Average	0.132	0.165	0.055	0.06	0.04					
Mezan Bank	0.008	0.01	0.74	-0.14	0.02	0.008	0.01	0.74	-0.14	0.02

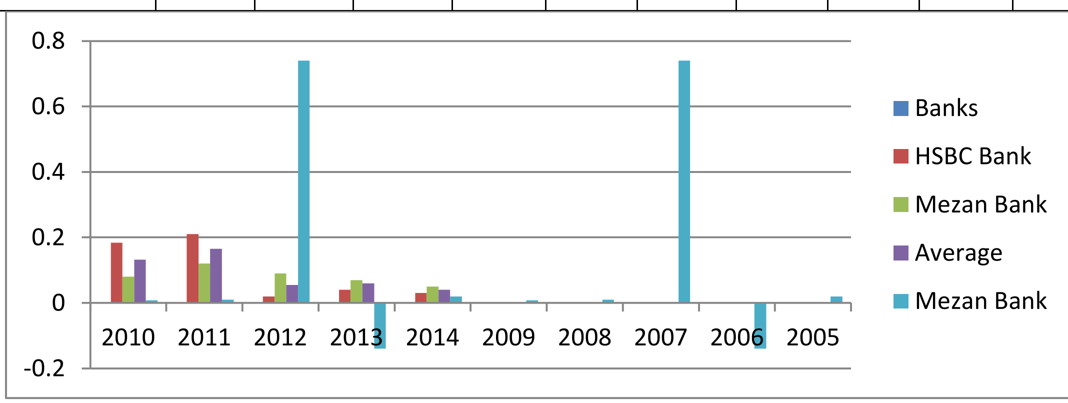

Figure 4: ROE of Mezan Bank

Table 7: Mezan Bank EPS

Banks	2010	2011	2012	2013	2014	2009	2008	2007	2006	2005
HSBC Bank	2.23	2.17	1.27	0.12	0.08					
Mezan Bank	1.32	1.15	1.10	1.15	1.21					
Average	1.775	1.87	1.185	0.63	0.645					
Mezan Bank						0.21	0.17	-2.50	-0.34	0.004

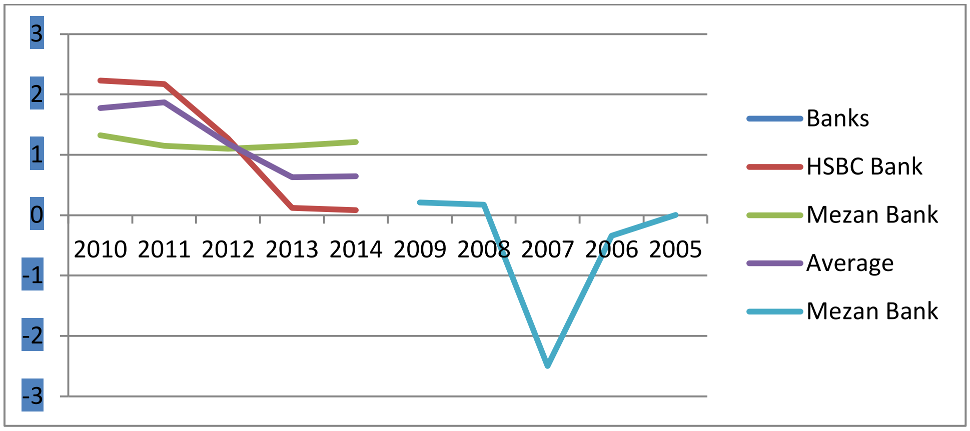

Figure 5: EPS Comparison of Mezan Bank

In table 6 Return on equity was analyzed of HSBC Bank and Mezan Bank, the data on return on equity was 0.184, 0.21, 0.02, 0.04 and 0.03 from 2010- 2014 While, Mezan Bank showed ROE in its financial reports as; 0.08, 0.12, 0.09, 0.07 and 0.03 from 2010-2014. Through making comparison we can conclude that there was decline in ROE of both Banks.

The table 8, shows the total earning per share of both merging companies because the current study is intended to make comparison of performance caused by the term merger and acquisition. The detailed date is distributed in the table. After having a glance on the above table and analyzing statistics results showed increase and decreases game. Before in 2009 the EPS was 0.21 and after the merger in 2011 it was 2.17. In the coming year it decreased to 1.27, so merger caused unequal impact upon the financial performance.

6.1 Testing the Results

For testing the results t-test is conducted and their outcomes are shown in table 8 and table 9.

Table 8: Arif Habib Bank

	ROA	ROE	EPS
T- test	**5**	**12.25**	**3.33**

6.1.1 Explanation

Table 8 declares the results of sample of t-test. The results of; EPS; ROA and ROE are given. The MCB asset management and other bank merger showed the results as ROA, ROE and EPS (5, 12.25, 3.33). The results showed that there is no significant relation between the performance of financial institutions and the merger.

Table 9: Mezan Bank

	ROA	ROE	EPS
T-test	**-1.04**	**-0.757**	**-0.886**

6.1.2 Explanation

Last table means table no.9 the paired sample t-test of HSBC and Mezan Bank. The results had shown that the values are not positive and prominent, since the profits of the Banks have declined. The result shows that ROA and ROE have insignificantly declined. It does not mean that it could not be controlled; measures can be taken to improve the ratio of profit.

7. CONCLUSION

Statistical data has proved that the results shown by financial institutions were varied one before and the acquisition & merger. The researcher was intended to dig out the fact that either merger has any ability to influence the financial performance of the firms or companies merged and acquired. The data testing method was t-test approach to analyze the paired sample of banks taken as a sample of the study. Three values were chosen as a standard to test the profit ratio of banks which are as follows:

1-ROA
2-ROE
3-EPS

Now we talk about the results collected against these above given terms, return assets of first pair merger was increased while ROA decreased for merger of HSBC and Mezan Bank.

After making the comparison the average ratio was first increased and then decreased. Overall the ROA value showed varied results. Its value increased for some banks before and merger but also decreased for some banks as well.

The study results were also same means were changing in nature. Returns on equity values before and after the merger some time were positive and favorable to the hypothesis and became negative abruptly in the next year of the study period. If we take the results of banks merged like HSBC and Mezan Bank, return on equity increased to 0.184 in 2010 and then reached to 0.21 in the next year. Similarly return on equity for other two banks MCB asset management bank and Arif Habib Bank were 0.010 in 2010, 0.14 in 2011 and 0.04 in 2012; so pattern is towards degradation.

If we take an example of EPS ratio, the ratio before the merger for MCB 8.16, 7.16, 9.11 in first three successive years while ratio foe Mezan Bank was 0.21, 0.17, -0.250 before merger and after merger and after merger the EPS ratio was 2.23, 2.17, 1.27. So the results here are also having mixed results for different banks it is profitable for one organization, while on the other hand is negative for the next organization. Overall conclusion is that merger and acquisition can be one influential factor to change the profit ratio of various organizations especially financial organizations but one cannot say that it is a single or sole factor to change overall profit ratio of any organization being merged into other organization. Better management, right decision and finance etc. are also major factors to increase or decrease the annual profit or loss ratio of the firms.

REFERENCES

1. Kumar, Satish, and Lalit K. Bansal. "The impact of mergers and acquisitions on corporate performance in India." *Management Decision* 46.10 (2008): 1531-1543.
2. Krishnan, Hema A., Michael A. Hitt, and Daewoo Park. "Acquisition premiums, subsequent workforce reductions and post-acquisition performance." *Journal of Management Studies* 44.5 (2007): 709-732.
3. Fluck, Zsuzsanna, and Anthony W. Lynch. "Why Do Firms Merge and Then Divest? A Theory of Financial Synergy*." *The journal of business* 72.3 (1999): 319-346.
4. Vasilaki, Athina, and Nicholas O'Regan. "Enhancing post-acquisition organisational performance: the role of the top management team." *Team Performance Management: An International Journal* 14.3/4 (2008): 134-145.
5. Raisch, Sebastian, et al. "Organizational ambidexterity: Balancing exploitation and exploration for sustained performance." *Organization science* 20.4 (2009): 685-695.
6. Freidheim Jr, Cyrus F. "The battle of the alliances." *Management review* 88.8 (1999): 46.
7. Burki, Abid A., and Shabbir Ahmad. "Bank governance changes in Pakistan: Is there a performance effect?." *Journal of Economics and Business* 62.2 (2010): 129-146.
8. Garnett, James L., Justin Marlowe, and Sanjay K. Pandey. "Penetrating the performance predicament: communication as a mediator or moderator of organizational culture's impact on public organizational performance." *Public Administration Review* 68.2 (2008): 266-281.
9. Francis, Jennifer, et al. "The market pricing of accruals quality." *Journal of accounting and economics* 39.2 (2005): 295-327.
10. Powell, Ronan, and Alfred Yawson. "The impact of intermediate restructuring events on firm survival." *Available at SSRN 964833* (2007).
11. Dymski, Gary, and Lisa Mohanty. "Credit and banking structure: Asian and African-American experience in Los Angeles." *The American Economic Review* 89.2 (1999): 362-366.
12. Muia, Faith Mukonyo. *Effects of total quality management implementation in performance of microfinance institutions in Kenya:(a case of k-rep development agency (KDA)*. Diss. 2014.
13. Trautwein, Friedrich. "Merger motives and merger prescriptions." *Strategic management journal* 11.4 (1990): 283-295.
14. Shahbaz, Muhammad, and Mohammad Mafizur Rahman. "The dynamic of financial development, imports, foreign direct investment and economic growth: cointegration and causality analysis in Pakistan." *Global Business Review* 13.2 (2012): 201-219.
15. Pandey, Sanjay K., David H. Coursey, and Donald P. Moynihan. "Organizational effectiveness and bureaucratic red tape: A multimethod study." *Public Performance & Management Review* 30.3 (2007): 398-425.
16. Harford, Jarrad. "What drives merger waves?." *Journal of financial economics* 77.3 (2005): 529-560.
17. Floro, Maria, and Gary Dymski. "Financial crisis, gender, and power: An analytical framework." *World Development* 28.7 (2000): 1269-1283.
18. 18- Shanmugam, Bala, and Mahendran Nair. "Mergers and acquisitions of banks in Malaysia." *Managerial Finance* 30.4 (2004): 1-18.
19. Mwangi, Stephen W. *The effect of mergers and acquisitions on the financial performance of Commercial Banks in Kenya*. Diss. University of Nairobi, 2014.