CULTURAL HARMONIZATION DURING ACQUISITIONS IN THE BANKING SECTOR IN NIGERIA: CHALLENGES AND STRATEGIES

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Abstract
This study explores the challenges and strategies of cultural harmonization during acquisitions in Nigeria's banking sector, focusing on the acquisition of Diamond Bank by Access Bank as a case study. While acquisitions are often driven by financial and operational synergies, the overlooked dimension of cultural harmonization remains a major determinant of success or failure. Using a qualitative case study approach, this research highlights the complexities associated with merging two distinct organizational cultures—Access Bank's performance-driven and hierarchical model and Diamond Bank's relational, customer-centric ethos. Findings reveal that cultural harmonization efforts centered on structural alignment, such as unified human resource policies and compensation systems, but neglected critical emotional and relational dynamics. Diamond Bank employees reported feelings of alienation and acculturation stress, resulting from perceived dominance of Access Bank's work culture. Key challenges included lack of inclusivity, transparency gaps in communication, and resistance to change, which compounded difficulties in achieving a cohesive post-merger harmonization. Despite these challenges, strategies such as cross-functional workshops, leadership dialogues, and integration programmes offered opportunities for mutual understanding. However, their implementation fell short of fostering an inclusive, balanced cultural framework. The study concludes that cultural harmonization strategies employed during the merger focused heavily on structural harmonization—aligning human resource policies, compensation systems, and operational frameworks. While necessary, this approach neglected the emotional and relational dimensions of cultural integration. Employee voices and organizational values from Diamond Bank were perceived as undervalued, resulting in dissatisfaction, alienation, and resistance to change. The study recommends adopting a participatory, third-culture approach that combines the strengths of both entities, prioritizing employee engagement, transparent communication, and leadership alignment as critical components for successful cultural integration.

Keywords: Cultural harmonization, Acquisitions, Banking sector, Access Bank, Diamond Bank, *Nigeria*.

Introduction
With the intensifying competition and increasing demand for improved products and services, large corporations are progressively adopting strategies that focuses on acquiring already established business organizations, rather than reinvesting capital into new ones. This strategic shift is driven by the specialization and experience smaller companies possess, which can be leveraged to reduce the time required for large corporations to develop in-house capabilities (Womble Bond Dickinson, 2017). According to a report produced in 2017, globally, collaborations between large corporations and smaller ones have been occurring at significant rates, with over 3000 merger and acquisition (M&A) deals, several minority stake purchases, and over 20 joint ventures building up to the year 2017 (Womble Bond Dickinson, 2017). However, while several sectors are involved in this, it is believed that the banking sector is the leading organization in this context (Green, 2020).Within the African context, particularly in Nigeria, Merger and Acquisitions (M&A) activities have skyrocketed in recent years, with a notable surge in deals spanning key sectors such as oil and gas, power, food and beverages, and finance. In 2021 alone, M and A deals in Nigeria surpassed $1 billion in value, marking a significant milestone. This surge is indicative of the growing recognition of mergers and acquisitions as a viable strategy for expanding market share and bolstering competitive advantage (Bhadare, 2021). This shift reflects a broader continental movement,

where multinational corporations are seeking to diversify their portfolios and tap into emerging markets through strategic partnerships and acquisitions. Bhadare (2021), further attributes much of this activity to the increasing interest of large corporations in acquiring smaller, specialized firms, particularly in the banking sector. This trend is particularly evident in the Nigerian banking sector, where mergers and acquisitions have become an essential strategy for consolidation and market expansion. Access Bank's various acquisitions across the continent, including its merger with Diamond Bank, have enabled it to increase its footprint and enhance its service offerings, positioning itself as one of Africa's largest and most competitive banking institutions (Fubara & Diya, 2021; Fayokun & Odoemenam, 2020). This aggressive expansion strategy by Access Bank is a response to the broader initiative rapidly changing the dynamics of the banking sector, both in Nigeria and across Africa, where financial institutions are under increasing pressure to innovate and diversify their services in order to remain competitive in an increasingly globalized market (Ronald, 2022; Fubara & Diya, 2021). Several scholars have documented the increasing volume of Mergers and Acquisitions (M&As) and their significance in the Nigerian economy, the like of (Bhadare, 2021; Fubara & Diya, 2021), are of the opinion that the existing literature still lacks a comprehensive understanding of the strategic approaches, challenges, and outcomes of Mergers and Acquisitions, particularly in sectors undergoing rapid consolidation. Much of the existing research, such as those by Green (2020) and Fayokun and Odoemenam (2020), has focused on the overall trends and drivers behind M&As, yet there is limited exploration of the specific challenges encountered during the post-acquisition phase, particularly with respect to cultural harmonization and organizational restructuring.

In the Nigerian banking sector, the merger between Access and Diamond Banks offers a pertinent case study that highlights both the potential and the challenges deals in this context. While these mergers are often viewed as critical for the growth and survival of businesses in an increasingly competitive banking sector, certain complex challenges relating to the harmonization of prior distinct organizational cultures, operational systems, and management structures do exist, that have also touched on the need for strategic alignment to ensuring that the newly merged entity can achieve its long-term sustainability goals while maintaining the efficiency and service quality expected by stakeholders. This study seeks to fill this gap by examining the specific challenges of cultural harmonization in the Access and Diamond Banks merger. Essentially, the study will be guided by the following objectives such as; integrating proper leadership alignment, ensuring that merger do create acculturation stress for staffers, and finally, to create balance and inclusive harmonization for both organizations to be merged. Additionally, the following questions guided the paper: (1) How was the issue of cultural harmonization addressed in the Access Bank and Diamond merger and acquisition deal? (2) What challenges did Access and Diamond banks face in the process of cultural harmonization and what strategy was deployed to address such challenges?

Review of related Literature.

Akinrinwa (2017), emphasizes that, while the terms merger and acquisition are commonly grouped together, they represent distinct processes. In his view, a merger is generally associated with a more collaborative and consensual strategy, where two or more organizations combine to form a larger entity capable of meeting the demands of the business environment. Furthermore, Akinrinwa (2017), explains that the language surrounding acquisitions implies a less collaborative approach, where one company dominates by purchasing the majority or all of another company's shares or assets. This type of transaction is typically viewed as a form of control, in which the acquiring company absorbs the target company, potentially leading to significant changes in the latter's operations, management, and corporate culture. Ahern & Weston, (2007), while this definition accurately characterizes acquisitions, it is important to recognize that the use of the term "merger" in broader discourse can sometimes serve to alleviate concerns associated with the more aggressive connotations of a takeover. Junni and Teerikangas (2019), has argued that employing the term merger, even in cases of acquisition, can help manage perceptions and mitigate the fear of a hostile takeover.

Mergers and acquisitions (M&As) are often driven by strategic objectives that shape how these transactions unfold and what types of mergers or acquisitions take place. One common form of Mergers and Acquisitions is the vertical merger, which occurs when companies operating at different stages of the production process come together. This might involve a manufacturer merging with its supplier or a retailer acquiring an after-sales service provider. The main advantage of vertical Mergers and Acquisitions lies in their ability to improve efficiency by reducing costs across the supply chain, ultimately enhancing productivity. In this type of merger, companies gain greater control over their production processes, which can lead to improved quality and smoother operations. For example, Cadbury Nigeria Plc's acquisition of Stanmark Cocoa Processing Company Limited was aimed at strengthening Cadbury's control over its cocoa supply chain, ensuring more efficient production (Okolo, 2016). Despite these advantages, vertical mergers are not without challenges. One major concern is the potential reduction of competition, as larger firms could dominate their respective sectors, leading to monopsony conditions that limit consumer choice and innovation (Adaguusu, n.d.; Omoye & Aniefor, 2016).

In contrast, horizontal mergers and acquisitions occur when companies within the same industry, often producing similar products, combine forces. These types of mergers typically aim to reduce competition by consolidating market share, and they are often subject to strict regulatory scrutiny to prevent monopolies and ensure fair competition (Organization for Co-operation and Economic Development, 2002). Horizontal Mergers and Acquisitions are primarily driven by goals such as market expansion, economies of scale, and increased competitiveness, new initiatives and innovations. By merging with a direct competitor, firms can broaden their reach, enhance their customer base, and leverage each other's strengths to position themselves better within the market. For instance, Access Bank's acquisition of Diamond Bank in 2018 allowed Access Bank to significantly increase its market share, emerging as a stronger entity with a broader customer base (Bamisile, 2020). Other notable examples in Nigeria include the merger of United Bank for Africa and Standard Trust Bank, as well as Ecobank's acquisition of Oceanic Bank International in 2011. These mergers helped the banks solidify their positions in the market and expand their reach. However, horizontal mergers also present their own set of challenges, particularly in terms of cultural harmonization. When two companies with different organizational cultures merge, the potential for culture shock increases, which can result in organizational friction and employee dissatisfaction (Lundberg, 2024).

The type of merger notwithstanding, the emerging concern in the literature is how these types of transactions affect the cultural harmonizationprocess of different firms involved in the process. As used here, cultural harmonizationrefers to the process of connecting two or more cultures together in order to ensure that these hitherto different cultures operate as one or together in the course of doing business. In this regard, cultural harmonizationcannot be entirely detached from broader societal dynamics, where human beings, as cultural entities, navigate boundaries that may either unite or create conflict. Thus, understanding the intricacies of cultural harmonizationis vital for ensuring not only the smooth functioning of merged organizations but also the overall success and sustainability of the harmonizationprocess. Numerous scholars have emphasized the importance of managing cultural differences in Mergers and Acquisitions. Goksoy (2019), argues that while cultural harmonizationis crucial, it is often overlooked in favour of the financial, strategic, and legal aspects of Mergers and Acquisitions planning. This oversight, according to him, creates a significant risk of failure, as cultural and behavioural issues, especially among employees, are frequently relegated to the background despite their substantial impact on post-merger outcomes (Rottig, 2017). Weber (2018), adds to this discourse by examining the biases managers bring to the Mergers and Acquisitions process, particularly in relation to cultural harmonization or what he referred to as cultural integration. Weber contends that when Mergers & Acquisitions fail, poor cultural harmonizationis often blamed, but when they succeed, the credit tends to go to the strategic decisions made by management. While Weber acknowledges the significance of cultural harmonization, his perspective may oversimplify the complexities involved, as cultural harmonizationoutcomes can vary widely. Moreover, Aturu-Aghedo, Chukwuma, & Okhiria (2024), emphasize that failure to prioritize cultural harmonizationis a key reason for the collapse of many Mergers & Acquisitions deals. Their research underscores that cultural diversity, when not effectively managed, can become a significant barrier to the success of Mergers & Acquisitions. They argue that when cultural differences are ignored or mishandled, they can result in long-term instability, which is detrimental to the newly formed entity (Idris, Wahab, and Jaapar (2015).

Methodology

This study employs a qualitative research approach, using a case study methodology to explore the cultural harmonizationchallenges and strategies during the merger between Access Bank and Diamond Bank. The research is based on semi-structured interviews with 18 participants, including top management officials and middle to lower-level staff from both banks. The purposive sampling technique was used to select participants who were directly involved in or impacted by the merger, ensuring rich insights into the harmonizationprocess. The semi-structured format allowed for flexibility, enabling the exploration of key themes such as organizational values, communication, conflict resolution, and the alignment of corporate cultures. Data collected from the interviews were transcribed and analysed using thematic analysis, which helped identify recurring patterns and key themes related to cultural harmonization. Thematic analysis was chosen for its ability to extract meaningful insights from qualitative data, focusing on both the strategies employed by the banks to manage harmonizationand the challenges encountered throughout the process.

Results

Issues Associated with Cultural Harmonizationin the Access & Diamond Bank Merger

The merger between Access and Diamond Banks presented a unique case where cultural harmonizationwas recognized as critical to the success of the union, but its execution faced notable issues. Unlike simpler acquisitions where cultural alignment is often neglected, this merger demonstrated a conscious attempt to blend the distinct operational philosophies of both banks. Access Bank, known for its structured and corporate-focused work culture, sought to incorporate Diamond Bank's strength in retail banking operations. This deliberate effort to harmonize two contrasting cultural systems was seen as necessary for leveraging the strengths of both institutions. One executive from Access Bank explained: “Bringing Diamond Bank into the fold opened up a new perspective for us. Their approach to retail banking was something we didn’t emphasize as much, and we realized that learning from them would help us bridge that gap. It wasn’t just about taking over; it was about creating something new.”

This viewpoint highlights a broader recognition within Access Bank that achieving synergy required embracing Diamond Bank’s strengths rather than imposing a unilateral culture. To address these differences, the leadership from both organizations facilitated various harmonizationprograms, including team-building workshops and strategy sessions aimed at fostering collaboration. Nevertheless, the process of aligning these cultures was far from seamless. A former employee from Diamond Bank reflected on their experience: “The cultural transition wasn’t without its hurdles. We were proud of our approach to customer relationships and retail banking, but integrating that into Access Bank’s system felt like an uphill task at first. There were a lot of moments where it seemed like our voices were being overshadowed.” This comment underscores the tension that emerged as Diamond Bank’s customer-centric and flexible work culture came into contact with Access Bank’s more formal and competitive structure. This particularly reinforces the merger syndrome views expressed by Marks and Mirvis (2011), in their work, which represents the space where employees of both organizations tend to find difficulties with each other as an outcome of the differences associated with their distinctive behaviour and overall cultures.

Another former Diamond Bank staff member provided a deeper reflection on the cultural differences: “It was a shock for many of us. The way things were done at Diamond Bank, more collaborative and personal, was very different from the competitive, high-pressure environment we encountered at Access. For a while, it felt like we were speaking different languages.” This statement paints a vivid picture of the cultural clash that initially plagued the harmonizationprocess. The competitive culture at Access Bank, characterized by performance-driven targets and a results-oriented mindset, contrasted sharply with Diamond Bank's emphasis on flexibility and employee relationships. These differences, though challenging, reflect a common phenomenon in mergers where two distinct organizational identities must reconcile to form a cohesive whole. To mitigate these challenges, both banks employed deliberate strategies aimed at fostering understanding and building a shared cross-functional team organizational identity. One senior manager shared: "It was all about balance. We had to identify what worked best from both banks and create an environment where everyone felt valued. It took time, but eventually, we found common ground." The eventual success of the merger can be attributed to this intentional and strategic emphasis on cultural harmonization. While the process was not without its difficulties, the leadership's focus on collaboration, mutual respect, and shared learning played a pivotal role in creating a unified organization.

Challenges Associated with the Diamond and Access Banks Merger

The merger between Access Bank and Diamond Bank stands as a significant case study illustrating the complexities of mergers and acquisitions, particularly regarding power imbalances and cultural misalignment. While pre-merger statements and corporate communications emphasized the existence of complementary values and operational synergies between the two banks, the post-merger realities painted a contrasting picture. The rhetoric of a "strategic partnership" intended to combine strengths from both institutions gave way to a more hierarchical reality, where Access Bank's dominant position as the acquiring entity set the tone for harmonization. This dynamic resulted in significant challenges, particularly for employees from Diamond Bank, who perceived their organizational identity, values, and practices as being overshadowed by Access Bank's more competitive and performance-driven culture. The dominance of Access Bank's corporate structure created an environment in which Diamond Bank employees often felt sidelined and disoriented. Access Bank, with its well-established systems and a rigid focus on performance metrics and corporate governance, became the prevailing cultural force. This was particularly problematic for Diamond Bank staff, who had previously operated in a more collaborative, customer-centric, and flexible environment. The contrasting nature of these two organizational cultures, one emphasizing aggressive targets and hierarchical control and the other focusing on relational banking and softer employee interactions led to a sense of alienation among Diamond Bank employees. One former Diamond Bank employee captured this sentiment: "The changes were overwhelming for many of us. We had a way of doing things—relational, customer-driven, and flexible. Then suddenly, we were absorbed into a system that prioritized targets over people. It felt like everything we stood for was slowly erased."This aligns with Nahavandi and Malekzadeh's (1998), concept of **acculturation stress**, where employees experience tension and dissatisfaction when adapting to a dominant organizational culture that conflicts with their previous norms. As Nahavandi and Malekzadeh (1998), suggest in their theory of acculturation stress, when employees of the acquired company experience a forceful imposition of a new culture that significantly deviates from their own, they often respond with feelings of alienation and dissatisfaction, as witnessed in this case.

This experience illustrates the hierarchical nature of the harmonization process, where Access Bank, as the acquiring entity, dictated the pace and structure of change. Research by Buono and Bowditch (2003), supporting this, has argued that power struggles in mergers often create a "dominant-subordinate" dynamic that undermines collaboration and fosters resentment. The failure to integrate cultures equitably can lead to a sense of alienation for employees from the acquired organization. In contrast, an Access Bank employee provided a different perspective, justifying the bank's dominance: "We were in a stronger position, and naturally, we took the lead. It was about aligning processes quickly and building a unified structure that could compete effectively. Some resistance was expected, but we had to move forward." This reflects a strategic focus on operational efficiency, which is often prioritized in mergers. However, as Cartwright and Cooper (1993), argue, neglecting cultural compatibility in favor of short-term operational goals can create long-term disruptions. Another Diamond Bank employee described this disconnect: *"*The way we worked at Diamond was collaborative, like a family. At Access, it was more competitive at targets and stiff competition among staff. It felt like a completely different work environment."

This aligns with Stahl and Voigt's (2008), findings, which highlight how cultural incompatibility can derail harmonization efforts by creating resistance, miscommunication, and operational inefficiencies. For successful harmonization, there must be intentional strategies to blend organizational cultures, preserving aspects of both to build a cohesive and inclusive environment. Despite these challenges, Access Bank leadership defended their approach, viewing cultural dominance as necessary for achieving strategic goals. One senior manager explained: "To succeed, we needed alignment, not compromise. It was not about disregarding Diamond Bank's values, but about building a stronger, unified culture that could compete favorably in the business circle."This comment underscores a pragmatic approach to harmonization, prioritizing performance and efficiency over cultural balance. However, research shows that a unilateral approach to cultural harmonization often exacerbates employee dissatisfaction and hampers long-term success (Weber & Camerer, 2003). In addition, operational differences emerged as a key challenge in the Access-Diamond Bank merger, with the distinct approaches to work culture and employee relationships creating significant friction. The post-merger experience for Diamond Bank employees was marked by a noticeable departure from the familiar, inclusive, and relational work environment they were accustomed to. In contrast, Access Bank's operational style, perceived as rigid and socially isolating, created a sense of exclusion among Diamond Bank employees. One former Diamond Bank staff member reflected on these differences, stating: "At Diamond, we worked like a close-knit team where everyone mattered, and relationships went beyond just transactions. When we transitioned to Access, it was more formal, less personal. There was a clear emphasis on individual targets, and it felt like people were more focused on outperforming one another than working together as a unit."

This quote underscores the stark operational and cultural contrasts between the two banks. While Diamond Bank fostered a sense of camaraderie and mutual support, Access Bank's performance-driven approach appeared to promote individualism and competition. The participant's reference to relationships going "beyond just transactions" highlights Diamond Bank's emphasis on teamwork and human connection as central to their work culture. In contrast, Access Bank's environment, while arguably more results-oriented, was seen as socially isolating and structured in a way that restricted personal interactions among employees. These operational differences can be linked to the strategic priorities of both institutions. Diamond Bank, with its strong focus on retail banking, placed value on relationships with customers and among staff to drive trust and customer loyalty. This relational approach was naturally extended into the workplace, where employees viewed themselves as part of an inclusive, family-like community. On the other hand, Access Bank, which had a stronger emphasis on corporate and investment banking, operated in a more formal and hierarchical structure. This focus on corporate efficiency and measurable results may have contributed to what former Diamond Bank staff perceived as a more rigid and impersonal work environment. Another Diamond Bank employee elaborated on this disconnect: "It wasn't just about how we worked, but it was how we related with each other. At Diamond, we could brainstorm together, support each other, and even share personal experiences. In Access, the atmosphere was more transactional, and there was this underlying pressure to deliver without relying too much on team collaboration."

This perspective highlights not only the operational disparities but also the social and emotional dissonance experienced by Diamond Bank employees during the harmonization. This gap is consistent with research by Cartwright and Cooper (1993), who emphasize that operational and cultural fit are critical for achieving smooth harmonizationin mergers and acquisitions. Interestingly, Access Bank staff offered a contrasting perspective, suggesting that their operational model was deliberate and necessary for driving efficiency. One Access Bank manager explained: "Our approach has always been results-driven. We aim to streamline operations and set performance benchmarks because, at the end of the day, banking is a competitive space. I can understand why some people from Diamond might have struggled initially, but this model ensures accountability and measurable growth." This viewpoint reflects Access Bank's strategic focus on productivity and efficiency, which likely informed their more formal and competitive work culture. As Buono and Bowditch (2003), has argued, a mismatch in operational priorities and workplace culture can result in harmonizationfailures, as employees from the acquired entity may resist or disengage due to a lack of alignment with their values. This finding is echoed by Weber and Camerer (2003), who contend that cultural clashes in mergers are amplified when the acquiring organization imposes its operational norms without considering the values and working styles of the acquired company.

CulturalharmonizationStrategy Relative to the Case Study

The Access-Diamond merger presented an interesting case of attempted cultural harmonization, where deliberate strategies were put in place to harmonize the two organizations' cultural realities. However, despite these efforts, significant challenges arose in the execution of these strategies, particularly for employees from Diamond Bank. Cultural harmonizationis often cited as a crucial element in mergers and acquisitions (Marks & Mirvis, 2011), but the Access-Diamond experience underscores the difficulty of aligning two vastly different organizational cultures without clear and inclusive implementation strategies. An Access Bank executive described their approach to cultural harmonizationas one that prioritized harmonization of human resource policies and structures: "We understood that merging two banks required us to unify everything, from staff policies to compensation systems and work expectations. The HR team worked to streamline processes and ensure alignment, but these things take time. It's not something that can occur without proper planning to guide against overseen circumstances." The reference to "streamlining processes" and harmonizing "compensation systems" highlights a focus on structural aspects of harmonizationwhich often referred to as the hard side of cultural harmonization. This approach involves aligning policies, handbooks, and compensation structures to create uniformity across the merged entity. While this is necessary, the soft side of employee relationships, values, and cultural norms have appeared to have been less effectively managed and therefore creating tensions and dissatisfaction, particularly among Diamond Bank employees. Several employees from Diamond Bank expressed that while there were formal talks about cultural harmonization, the implementation fell short of creating a balanced and inclusive environment.

This comment highlights the perception of cultural assimilation, where one dominant culture imposes its norms on the other. Assimilation can result in resentment and resistance, as employees from the less powerful organization feel undervalued and overlooked. Buono & Bowditch (2003), argue that when cultural harmonizationstrategies fail to balance the strengths of both merging organizations, it often leads to alienation and reduced morale. To address this issue, a more inclusive strategy could have been employed. For instance, ensuring a third-culture approach, where both organizations contribute to creating a new shared culture, might have alleviated some of the tensions. A senior manager from Access Bank explained their attempt at collaboration: "We tried to create platforms where both teams could share ideas and values. Workshops and team meetings were held to help everyone understand what we were trying to achieve is a bank that leveraged the best of both worlds. It wasn't perfect, but we had to start something, and from there, grow on it."

While this demonstrates an awareness of the need for inclusivity, the execution appears to have been insufficient. Many Diamond Bank employees felt that their contributions were not genuinely valued or incorporated into the new organizational culture. A former employee noted: "We attended the workshops, and yes, there was a lot of talk about shared goals and learning from each other, but it always felt like lip service. The Access team were already calling the shots, so it didn't matter much what we had to do." This reveals a critical shortcoming: the lack of participatory integration. Effective cultural blending requires not only structural harmonization but also active employee engagement, where staff from both organizations feel empowered to contribute to shaping the new culture. Research by Stahl and Voigt (2008) emphasizes that cultural harmonizationstrategies must focus on fostering trust, dialogue, and shared ownership to avoid alienating employees. An alternative strategy involved appointing cultural harmonizationchampions from both Access and Diamond Banks, who are individuals tasked with bridging cultural divides by facilitating discussions, resolving conflicts, and promoting mutual understanding. Such a strategy encouraged employees to feel that their voices and identities were acknowledged. One Access Bank team leader hinted at this need: "I think what we missed was a deliberate effort to understand the emotional and cultural realities of the Diamond Bank staff. We focused a lot more on systems and structures, and failed to understand how different our work philosophies were, comparing to the new merger." This honest reflection underscores a key lesson that cultural harmonizationmust address both emotional and operational realities to succeed. By neglecting the unique values and norms of the acquired company, Access Bank inadvertently reinforced perceptions of dominance, undermining the potential for a collaborative, unified culture.

Conclusion

The study examined the issue of cultural harmonization during mergers in banking sector using Access Bank and Diamond Bank as its case study. It argued based on the findings that, while the merger was strategically positioned to capitalize on operational synergies and expand market reach, the cultural realities of both institutions posed significant challenges that tested the harmonizationprocess. The study concludes that cultural harmonization strategies employed during the merger focused heavily on structural harmonization—aligning human resource policies, compensation systems, and operational frameworks. While necessary, this approach neglected the emotional and relational dimensions of cultural integration. Employee voices and organizational values from Diamond Bank were perceived as undervalued, resulting in dissatisfaction, alienation, and resistance to change. This underscored the limitations of strategies that prioritize efficiency and control at the expense of inclusivity and shared cultural development. However, the study also addressed a growing awareness of the importance of cultural harmonization in Mergers & Acquisitions processes.

Recommendations

To ensure a balanced and inclusive harmonizationprocess, merging organizations should prioritize a participatory approach to cultural harmonization. This should involve creating platforms where management and employees from both organizations can actively contribute to shaping the new organizational culture through joint cultural workshops.

Mergers often create acculturation stress, particularly for employees from the acquired organization. To mitigate this, organizations should implement targeted programmes that address the emotional and psychological well-being of employees.

Leadership alignment is critical for cultural integration. Leaders from both organizations must undergo training to understand and promote the values of the new entity. They should model inclusive behaviour, ensure fair representation of both merging organizations, and actively address cultural conflicts as they arise.

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