

## ABSTRACT

The main objective of this study was to examine the effect of organizational and human resource issues on acquisition performance. By critically reviewing the literature, a causal model was developed to understand the complex relationships among certain variables such as cultural similarity, structural similarity, similarity in compensation and performance evaluation system, organizational integration, communication, employee uncertainty and stress, leadership, executive retention, and acquisition performance. In addition to this, the moderating effects of the types of acquisition, relative size of the firms, and experience of the acquirer in certain relationships were also examined. Data were collected from 134 employees of five acquisitions and analyzed using Structural Equation Modeling (SEM) procedures. The goodness-of-fit indices showed that the proposed model achieved an adequate fit and was acceptable. Results further confirmed that there were significant associations among the variables, and most of the hypotheses were accepted. Significant moderating effects were also found in several cases. Overall, the results showed that organizational and human resource issues do play a determining role in predicting acquisition performance. The practical implication of the study highlights the fact that in managing integration, managers need to take a people-oriented approach.

**Key words:** organizational issues, human resource issues, and acquisition- performance.