

Cultural Insights in Vietnamese M&A Integration: A Case Study

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Vietnam Economic Growth

Vietnam's M&A allure masks risks: cultural divides, integration hurdles, and domestic investment erosion can impede both short- and long-term economic progress (Nguyen et al., 2020; Liu et al., 2013; Schoenberger et al., 2008).



Cultural Integration

is the crucial bridge to merger success by boosting employee engagement, reducing turnover, and unlocking synergy potential (Weber et al., 1996; Lodorfos et al., 2006; Bligh et al., 2006; Weber et al., 2011).



Research Gap

This research aims to explore case study examining the successful cross-border M&A between Jolie Siam, A boutique Vietnamese HR service company and SOA, a French service company for Entering Southeast Asian markets.

Jolie Siam

A world of smiles in workplaces

Where Vietnamese Smiles Meet French Savoir-Faire

Core Beliefs

- "We rise by lifting others".
- Noble Purpose: for a better work life.

Shared Values

- Sincerity & Positivity
- Reactivity & Engagement

Founding Story

French savoir-faire meets Vietnamese hospitality: Founded in 2006, Jolie Siam blends French expertise with traditional Vietnamese warmth.

Personality

- Sincere & Engaged
- Attentive & Proactive
- Gentle, Positive & Feminine
- Innovation through Learning Agility
- Gentle but Demanding
- Sharp & Smart



Source of Asia (SOA): Building Businesses with Hustle & Kindness

Drive

- Innovative Solutions
- Satisfaction
- Employee Fulfillment

Philosophy

- Hustle
- Credence
- Kindness
- **Excellence**

Core Values

- Confidence
- Care
- Out-of-the-Box
Thinking
- Local Expertise

Jolie Siam vs. SOA: A Comparative Overview

Feature	Jolie Siam	Source of Asia (SOA)
Overall Vibe	Warm, feminine, welcoming	Dynamic, driven, results-oriented
Personality	Sincere, attentive, gentle, positive	Hustling, confident, kind, excellent
Values	Sincerity, positivity, reactivity, engagement	Confidence, care, local expertise, out-of-the-box thinking
Core Beliefs	Lifting others, noble purpose, Vietnamese hospitality	Engineered success, client satisfaction, employee fulfillment
Approach to Business	Collaborative, relationship-driven, personalized	Innovative, result-oriented, confident
Management Style	Supportive, demanding, learning-oriented	Direct, assertive, accountable
Innovation	Agile, adaptable, gentle balance	Bold, disruptive, out-of-the-box
Communication	Open, collaborative, shared values	Direct, assertive, confident

Problem Statement

Values and Management Styles

Jolie Siam employees might find SOA's directness jarring, while SOA employees might perceive Jolie Siam's focus on relationships as inefficient.

Approach to Innovation

Clashes could occur if SOA's bolder ideas are viewed as disruptive by Jolie Siam, or if Jolie Siam's cautious approach is seen as stagnant by SOA.

Communication

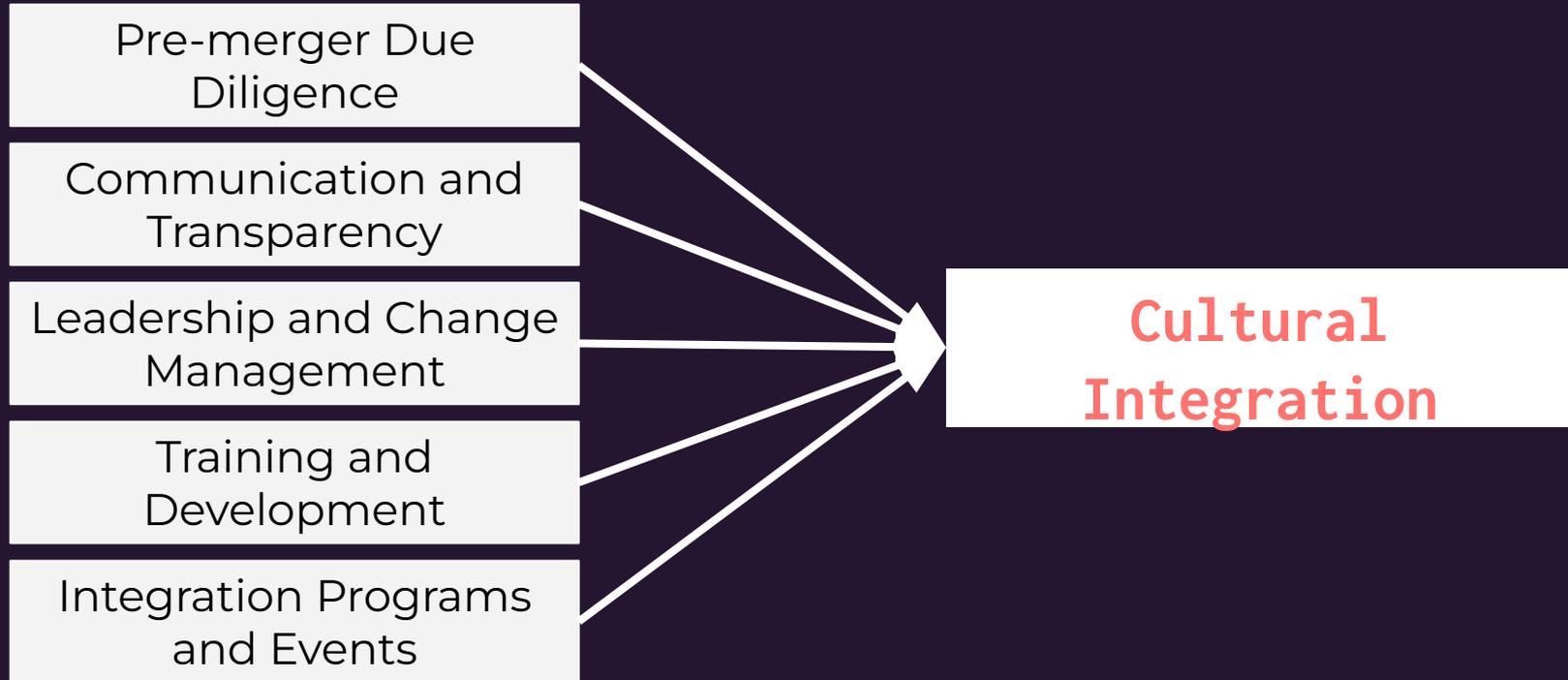
Misunderstandings could occur due to these different styles.

Employee Engagement and Well-being

Pressured by SOA's focus on accountability and miss positive and supportive environment of Jolie Siam.



Theoretical Framework



Binh et al. (2022), Diep and Anh (2020), Hua (2020), Korzeb (2021), Malik et al. (2014), Mielly et al. (2016), and Xie (2023)

Beyond the Numbers: Pre-Merger Due Diligence for a Seamless Union

1 Operational Due Diligence

- Business Processes
- Technology & IT Systems

2 Values & Culture

- Knowledge Sharing:
- Leadership Dynamics:

3 Human Resources Due Diligence

- Align roles & responsibilities.
- Analyze engagement & potential clashes.
- Mitigate risks & harmonize policies.



Communication and Transparency

Paving the Path: Pre-Merger Coaching

Focus:

Trust & Alignment 4 months before merging

Discussing cultural differences & management practices

Align key practices, build trust, address challenges

Benefits:

Smooth transition: Less friction, increased employee engagement.

Stronger leadership: Unified vision, better collaboration.

Next:

Communication plan: Clear messaging, frequent updates.

Joint working groups: Facilitate cross-company collaboration.





Leadership and Change Management

Planting the Seeds for Success: Early Action for a Seamless Merger



13 Months Early

- Open Talk: We started discussing the "maybe merger" way ahead.
- Structure Shift: BU teams got realigned to match SOA's style, giving leaders more control.



Key Focus

- Empowered Teams: BU leaders and BOM take charge, guiding the integration journey.
- Prepared Leaders: Equipped with knowledge and tools to handle the changes confidently.

Training and Development

Unifying Leaders for a Smooth Transition



Four months before the merger

- Targeted Coaching
- Knowledge Exchange
- Alignment and Collaboration
- Building Trust



Outcomes

- Empowered Leaders
- Minimized Friction
- Collaborative Culture

Integration Programs and Events

Ensuring Synergy: The Fusion of Smiles Team

A collaborative project team named "Fusion of Smiles" has been established. Comprising two leaders from each company, this team spearheads integration efforts in three critical areas:

- Internal Communication
- Financial Consolidation
- People Services

Beyond structured approaches, SoA prioritizes human connection

- Terrace Gatherings
- BOM Welcome



Cultivating Culture: Beyond the Tangible



- "My Path to Growth"
- ERP Implementation
- Compensation & Benefits Redefinition



- "Hire Value, Train Skill" with our DNA.
- "First Impression, Gold Impression"
- "Local Expert" Breakfast Talks
- Leadership Workshops

Outcome: A symphony of strengths, a chorus of success



Synergistic culture

Harmony in Diversity: Jolie Siam's warmth blooms with SOA's boldness, igniting excellence and innovation.

Shared Values Compass: Sincerity, confidence, and care guide us through challenges with a unified vision.



Engaged workforce thrives

Motivated by Meaning: Every talent is valued and nurtured, empowered by opportunities to grow and contribute.

Champions of Unity: Ambassadors of the new culture, fostering collaboration and a sense of belonging.



Sustainable success together

Agile & Adaptable: We embrace change and challenges with confidence, ready to thrive in any landscape.

Long-Term Value Creation: Building a resilient, prosperous future for employees, clients, and stakeholders.

Conclusions and recommendations

Investing in pre-merger coaching paves the way for a successful and unified future

Early communication & transparency lay the groundwork for a thriving, unified organization.

Empowering its leaders and taking proactive steps paves the way for a successful and collaborative merger.

Training and Development

build a bridge of understanding and collaboration, setting the stage for a thriving combined entity.

“Fusion of Smiles”

is more than just a team name; it's a promise of a unified future built on strong communication, collaborative efforts, and warm welcomes.



THANK YOU