

HOW BOARDTURNOVER & -DIVERSITY IMPACT ACQUISITION PERFORMANCE

**Exploring the Impact of Board Turnover and Board Diversity in
Listed European Companies on Post-Acquisition Performance**

MSc Business administration: Master Thesis

Anna Peters

S1041546

Radboud university

Supervised by

Supervisor: prof. dr. H.L.R. Aalbers

Second examiner: dr. K.J. Mc Carthy

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Abstract

This study examines the impact of board turnover and diversity on post-acquisition performance in European listed companies, utilizing resource dependency theory. Despite hypotheses suggesting positive effects, the empirical results indicate no significant relationship between board turnover, board diversity (age-, gender, and nationality diversity) and post-acquisition performance. These findings challenge existing assumptions within resource dependency theory and highlight the complexity of board dynamics in acquisition contexts. Further research is needed to explore other factors influencing post-acquisition success.

Keywords: *board turnover; board diversity; post-acquisition performance; resource dependency theory; financial performance; mergers and acquisitions*

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Table of contents

1.	Introduction	1
1.1	Research objective and relevance	3
1.2	Structure.....	4
2	Literature Review	5
2.1	Acquisitions: definition and motives	5
2.2	A Resource dependency theory perspective.....	6
2.2.1	Board turnover	6
2.2.2	Positive impact of board turnover on post-acquisition performance	7
2.3	The effect of board turnover on board diversity.....	8
2.4	Board diversity post-acquisition performance	11
2.4.1	Age.....	11
2.3.3	Nationality.....	14
3.	Methodology	16
3.1	Methods used for data analysis in this research	16
3.2.	Assessing mediation	18
3.3	Robustness check of results	21
3.4	Measurement of variables	21
3.4.1	Dependent Variables: Post-Acquisition Performance (ROA and MTB Ratio).....	21
3.4.2	Independent Variable: Board Turnover.....	22
3.4.3	Mediators: Board Demographic Diversity (age, gender, and nationality).....	23
3.4.4	Control variables	24
4.	Data	28
4.1	Sample Selection.....	28
4.2	Research ethics and use of AI-tools	29
4.3	Data preparation.....	29
5.	Results	31
5.1	Descriptive statistics	31
5.2.1	Mediation analysis ROA	34
5.2.2	Mediation analysis MTB.....	37
6.	Discussion	42
6.1	Reflection on the results and suggestions for future research	42
6.2	Theoretical and Practical Contributions.....	44
6.3	Limitations and Future Research	45
7.	Conclusion.....	47
	References.....	48
	Appendices.....	69
	Appendix I.....	69
	Appendix II	70
	Appendix III.....	72

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Appendix IV73
Appendix V74
Appendix VII77
Appendix VIII.....79
Appendix IX.....81

1. Introduction

Almost every day, there are media reports about mergers & acquisitions, the forthcoming, or closed ones, the expected or the unexpected ones, and the successful or failed ones. Mergers & acquisitions can be a driver of firm value and have a significant impact on the firm's operations, organizational culture and often board composition. The fact remains that mergers and acquisitions are always risky endeavors of the management, where the complex process eventually will lead to is difficult to say. Despite the vast number of studies investigating firm performance around and after acquisitions, the factors determining a deal's ultimate success are still not well understood (Renneboog, Vansteenkiste 2019). This lack of understanding could explain why so many acquisitions fail to meet prior set expectations, according to most studies, between 70 and 90 percent of acquisitions fail (Kenny, 2020). Numerous studies have attempted to identify factors that contribute to this post-acquisition underperformance. Characteristics like whether the acquisition is cross-border or domestic (Moeller & Schilleman, 2005), size of the acquiring firm (Moeller et al., 2004), or industry relatedness (Miller, 2006) can partially explain the differences in performance across acquisitions.

Despite deal characteristics, the board of directors also plays an important role in M&A performance (Liu & Wang, 2013). The board of directors, acting on behalf of shareholders, plays a central role as an internal corporate governance mechanism and is viewed as a major decision-making body within companies (Aguilera et al., 2015; Merendino & Melville, 2019). In recent decades, research has increasingly highlighted the importance of board diversity in enhancing firm performance, particularly in the context of mergers and acquisitions. Midavaine et al. (2016) found that diverse boards boost innovation, while Ali et al. (2014) observed that gender diversity leads to higher financial performance. Syakhroza et al. (2021) reported a positive relationship between team age diversity and firm performance. However, the effects of board diversity are not universally positive; Cao et al. (2019) found that nationality diversity on boards can lead to less profitable cross-border M&As. Gardiner's (2024) review also notes that age diversity is an inconsistent predictor of financial performance. These findings highlight the increased focus on the role of board diversity in influencing firm performance, also during mergers and acquisitions. This increased interest stems from several factors. Firstly, political, and social entities are placing greater emphasis on diversified boards, prompting firms to adopt diversity policies to ensure that their boards better reflect societal diversity. In the aftermath of the financial crisis of 2007, the European commission (2010) gave some insights and

recommendations regarding boards of directors. In the European Parliament resolution of 17 June 2010 on gender aspects of the economic downturn and financial crisis, they stated that “in order to bring diversity of thought to board discussion, boards should consider if they collectively possess the right mix of backgrounds and competences” (*Gender Aspects Of The Economic Downturn And Financial Crisis - Thursday, 17 June 2010, z.d.*). Different leadership styles, demographical backgrounds or genders can lead to better monitoring of the board, quality of decision-making, and tackle the risk of ‘group thinking’ (Janis, 1972). This increased awareness has led to increased diversity within the board of directors in firms. Diversity includes variations in attributes that differentiate individuals (Williams & O’Reilly, 1998). It is commonly categorized into observable diversity (e.g., gender, age, nationality) and non-observable diversity (e.g., cultural values, personality traits) (Erhardt et al., 2003a). However, most research, including this study, focuses on observable characteristics such as age, gender, and nationality. This approach aligns with methods used by Engelen et al. (2012), Erhardt et al. (2003a), Mahadeo et al. (2012), and Lückers-Rovers (2013), and is supported by a systematic review by Behlau et al. (2024), which identified these particular demographic variables as the most commonly used attributes in measuring board diversity. The implementation of gender quota laws for boards by governments in order to change the level of diversity, also plays a big role in this growing interest. Furthermore, increased globalization is an important factor. In a more globalized world, firms have to accommodate a higher degree of diversity among their employees at different managerial levels, according to Gupta and Govindarajan (2002), especially at the top-level of organizations. Even though several studies found evidence of a positive relation between board diversity and firm performance (Robinson and Dechant (1997); Carter et al., 2003), also negative aspects such as coordination- and communication problems and greater complexity within decision-making can be found in diverse boards (Ciavarella, 2017).

Several studies showed that board turnover rates are significantly higher after acquisitions. Within five years, corporations lose an average of more than half of their executives present at the time of the acquisition (Walsh 1988; Furtado & Karan, 1990, Krug & Hegarty, 1997; Walsh 1989). Frequent changes to the composition of a board might lead to boards with more diverse backgrounds given the increased emphasis on diversification within boards.

1.1 Research objective and relevance

Despite extensive research on the impact of board turnover and diversity on firm performance, their influence on post-acquisition performance remains underexplored. Given the high rate of M&A failures, optimal strategic decision-making for M&A is critical. M&A decisions involve significant legal, environmental, and financial uncertainties, where a diverse board could improve risk management through varied perspectives on mitigation strategies. Contradictory research findings on board turnover (Weisbach, 1988; Krug & Aguilera, 2004a) and board diversity (Carter et al., 2003; Adams & Ferreira, 2009) call for further investigation. This study aims to fill this gap by examining how board turnover and diversity affect post-acquisition performance, utilizing resource dependency theory. Resource dependency theory emphasizes that board members can provide expertise, connections, and legitimacy and thereby manage dependencies and uncertainties (Pfeffer & Salancik, 1978). These resources are especially needed in the post-acquisition phase to navigate through new challenges (Hillman, et al, 2000). During the post-acquisition period, reliance on existing tacit knowledge may create inertia, hindering the needed flexibility. New board members can bring fresh perspectives and new expertise, enhancing adaptability and innovation, critical for post-acquisition success (Heimeriks et al., 2012; Hitt et al., 2009). Research shows that new board members improve strategic decision-making and post-acquisition integration (Pfeffer & Salancik, 2003; An, 2020). This study focuses on the impact of board turnover and board diversity within European listed companies, addressing the gap in empirical research within the European context (Smith et al., 2006). The European context is particularly interesting due to higher labor mobility and several directives on gender diversity in boardrooms (Egon Zehnder, 2017). This study uses both market-based and accounting-based measures for firm performance, allowing for comprehensive and comparative analysis. The objective is to examine the relationship between board turnover, board diversity, and post-acquisition performance, particularly in terms of age, gender, and nationality.

The research question of this thesis is: ***How do board turnover and demographic diversity in the board of directors' impact post-acquisition performance in listed EU-companies?***

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Understanding the impacts of board turnover and diversity can inform acquisition strategies, improve integration processes, and enhance overall performance, offering valuable insights for governance frameworks and diversity policies. This study focuses solely on acquisitions to precisely measure board turnover and diversity's influence on the acquiring firm's performance, providing a clearer context for evaluating strategic roles and challenges. By using the resource dependency theory as lens, this research suggests that directors' external connections and resources are critical for successful acquisition outcomes, offering a nuanced understanding of board turnover and diversity in post-acquisition performance, and contributing valuable insights for academic researchers and practitioners. The conceptual model introduced here provides a clear framework representing the relationships between the key variables under investigation in this study.

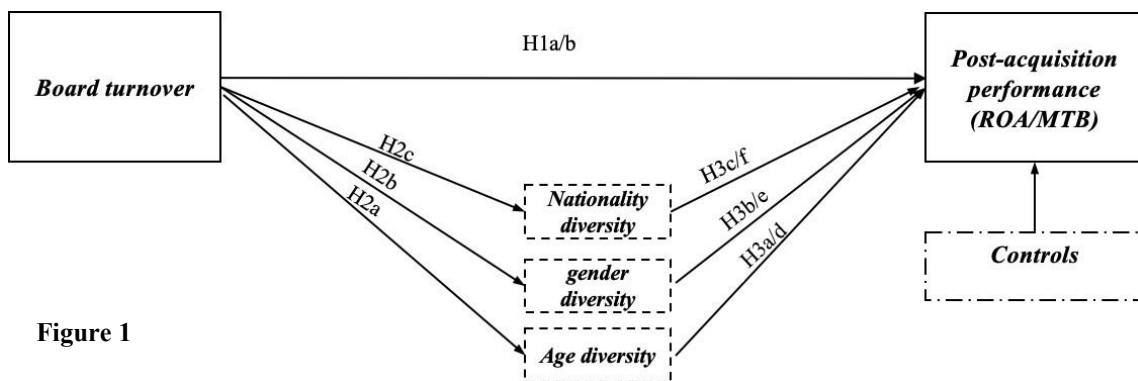


Figure 1

1.2 Structure

The following section of this paper will clarify the theoretical framework. Subsequently, the methodology utilized, and the data used in this study will be detailed. Following this, a section will look into the analysis and interpretation of the results. Finally, the discussion and conclusion of the study will be provided, summarizing the key findings and their implications, discussing the limitations of this study, and offering recommendations for future research.

2 Literature Review

2.1 Acquisitions: definition and motives

Mergers and acquisition are frequently used synonymously, although there is a clear difference in the economic implications of an acquisition or a merger (Singh 1971). An interpretation of these differences defines acquisitions as activities by which acquiring firms buy and become the owner of more than 50% of the equity of target firms, whereas in a merger at least two firms are combined with each other to form a “new” legal entity (Piesse et al., 2022). In this study we will stick to this definition of acquisitions. Another important difference between mergers and acquisitions is the negotiating power of the acquirer. Negotiation, defined as a joint decision-making process (Pruitt, 1981), typically correlates with the size or financial strength of the businesses involved. In mergers, where a new enterprise emerges, negotiating power is usually balanced. Conversely, in acquisitions, one party is dominant, leading to an uneven power dynamic (Piesse et al., 2022).

The main objective behind mergers and acquisitions is to collaborate with other companies for greater benefits than operating alone (Malik et al., 2014). Rabier (2017) categorizes acquisition motives into operating and financial synergies. Operating synergies, like economies of scale and access to new markets, enhance efficiency and growth. Financial synergies arise from the financial structure combination of the acquirer and target, offering benefits such as tax savings, internal capital access, cash flow diversification, and gains from acquiring undervalued targets. Acquisitions can also reduce competition and boost market influence. Aalbers et al. (2021) provide a more nuanced understanding of acquisition motives by categorizing them using an exploration-exploitation-framework. Exploration motives involve long-term, uncertain strategies aimed at discovering new markets, products, or technologies, which are inherently riskier. Exploitation motives focus on short-term, more certain strategies such as cost-cutting and efficiency improvements in existing markets. This distinction in motive is important since exploitation motives are often involving related acquisitions, where the target and acquirer operate in similar industries. These types of acquisition are generally less risky due to better evaluation and integration capabilities, thus realizing synergies more effectively (Lewis et al., 2019; Cefis et al., 2020; Chatterjee, 1986). However, despite their potential, acquisitions often fail to meet expectations. (Cartwright & Schoenberg, 2006). Bilgili (2017) found that most acquisitions underperform due to complexities and uncertainties. The main reason for this underperformance is insufficient integration post-acquisition (Graebner et al., 2017). Since the

board of directors carries monitor management and votes on major decisions regarding the acquisition process, board turnover may affect subsequent firm performance.

2.2 A Resource dependency theory perspective

Resource dependency theory is a perspective formulated by Jeffrey Pfeffer and Gerald Salancik (Pfeffer and Salancik 1978; Pfeffer 1977), stating that organizations are strategic actors that are dependent on their environment. The prominent literature on resource dependency tries to explain how organizations manage their dependencies and reduce environmental uncertainty by leveraging their directors as resources or providers of resources (e.g., Boyd, 1990; Hillman et al., 2000; Hillman & Daziel, 2003; Haynes & Hillman, 2010; Johnson et al., 1996). It assumes that firms operate within an open system, engaging in resource exchanges with third parties for mutual benefit. Important advantages of these external linkages include providing advice and counsel, securing preferential access to resources, establishing communication channels, and enhancing legitimacy (Pfeffer & Salancik, 1978). Therefore, a diverse board of directors can improve management by bringing in more resources and networks, leading to better-informed strategic decisions and enhanced firm performance (Reguera-Alvarado et al., 2015; Hosny en Elgharbawy, 2021; Haynes & Hillman, 2010; Johnson et al., 1996). In this study the **resource dependency theory** will be used as theoretical lens.

2.2.1 Board turnover

Board turnover refers to changes in the board of directors through the arrival or departure of formally designated members (Qiang et al., 2022). Previous research has indicated that the turnover rate of directors in firms after M&A is higher than average (Krug et al., 2014). Recently there is a growing belief that board turnover is beneficial for firm performance in the corporate governance community. Board turnover is perceived as the means through which a board is ‘refreshed’ with new perspectives (Dah, et al., 2023). Resource dependency theory supports this view, emphasizing that directors are crucial resources that bring valuable expertise, networks, and access to external resources (Pfeffer & Salancik, 1978). Despite the significant costs that are associated with board turnover, highlighted by the recent study of Qiang et al., 2022, the strategic benefits outlined by the resource dependency theory suggest that boardturnover can be a valuable tool for enhancing post-acquisition performance. We will now look into more detail about the possible positive impact of board turnover on firm performance.

2.2.2 Positive impact of board turnover on post-acquisition performance

Most previous research on board turnover has focused on identifying its causes, consistently showing that board turnover tends to rise in response to negative firm or board conditions such as narcissistic directors (Zhu & Chen, 2015), loss of reputation due to public criticism (Dewally & Peck, 2010), or poor firm performance (Weisbach, 1988). However, this study focuses on the effect of board turnover on post-acquisition performance. The impact of board turnover during acquisitions is debated in the literature. Some argue that directors possess critical, tacit knowledge and firm-specific capabilities, making them valuable and difficult to replace. Directors in permanent positions accumulate deep insights about the organization, significantly contributing to operations (Bergh, 2001; Krug & Aguilera, 2004). During acquisitions, the departure of board members can disrupt leadership continuity and cause further distress (Krug, 2003b). However, this perception overlooks the potential benefits of board turnover, especially from a resource-dependency perspective.

From a resource dependency-perspective, high board turnover can introduce fresh perspectives and new expertise, enhancing the firm's ability to adapt and innovate (Hillman & Dalziel, 2003). In the turbulent period following acquisitions, reliance on existing tacit knowledge may create inertia, hindering necessary flexibility and change. For instance, Heimeriks et al. (2012) argue that post-acquisition integration requires dynamic capabilities that can be stifled by entrenched board members resistant to change. Similarly, Hitt et al. (2009) highlight that adaptability and strategic renewal are crucial during post-acquisition phases, and these can be better facilitated by new board members who bring fresh perspectives and are not tied to old ways of thinking. Research supports that new board members can bring valuable resources, networks, and skills that improve strategic decision-making and post-acquisition integration (Pfeffer & Salancik, 2003; An, 2020). A recent study found that board refreshment strengthens the monitoring of CEOs and top managers (Dah et al., 2023), which is crucial for successful acquisitions. Moreover, effective board oversight is vital during and after acquisitions, as failures often stem from poor management (Fernandes, 2019). Therefore, higher board turnover can enhance post-acquisition performance by injecting new knowledge, accessing diverse information channels, and ensuring stringent monitoring, ultimately increasing the likelihood of a successful acquisition.

In post-M&A periods, the tacit knowledge held by directors can sometimes hinder a firm's ability to adapt and integrate effectively. While tacit knowledge is valuable in stable

environments, it can lead to rigidity and resistance to necessary changes during the dynamic and uncertain post-acquisition phase. For example, Vermeulen and Barkema (2001) argue that firms heavily reliant on existing knowledge and routines struggle adaptation, which is crucial during post-acquisition integration. Additionally, Barkema and Schijven (2008) highlight that established board members may be less open to new strategic directions, causing inertia and slowing down the integration process. Further, Holland & Salama (2010) found that successful post-acquisition integration often requires new perspectives and capabilities that entrenched directors might not possess. These findings suggest that while tacit knowledge is generally beneficial, it can become a liability in the fast-paced, transformative context of post-M&A periods where flexibility and new insights are high priorities (Zellmer-Bruhn, 2003; Teece et al., 1997). This study focuses on post-acquisition performance up to three years after the acquisition, which is still considered within the integration period (Ellis & Lamont, 2004). Several studies have found a positive relationship between successful M&A integration and improved ROA (Zollo et al., 2004; Jeong, 2020; Galavotti, 2019; Schweizer et al., 2022) or MTB (Cui & Leung, 2020; Leshchinskii & Zollo, 2004). Therefore, the first two hypotheses in this study are:

Hypothesis 1a: There is a positive relation between board turnover and post-acquisition performance (ROA).

Hypothesis 1b: There is a positive relation between board turnover and post-acquisition performance (MTB).

2.3 The effect of board turnover on board diversity

Low turnover of directors has been identified as a significant barrier to achieving enhanced board diversity (Nili et al., 2019). When companies rarely appoint new directors, the opportunities for diversifying the board diminish significantly. Concurrently, the limitation of insider benefits also plays a crucial role in shaping corporate diversity dynamics. Moreover, the lack of leadership experience, particularly among women and other minority groups historically underrepresented in corporate leadership roles, presents an obstacle to achieving diversity in the boardroom (Nili et al., 2019). Given these challenges, increasing board turnover can be seen as a mechanism through which board diversity can be improved, providing more opportunities for diverse candidates to be appointed and thereby enhancing the overall inclusivity of corporate governance. The growing awareness and recognition of the benefits of board diversity further support this approach. The following paragraphs will discuss how turnover impacts various

aspects of diversity. Each paragraph will include two hypotheses, one for the ROA-model and one for the MTB-model.

2.3.1 The effect of board turnover on age diversity

In recent decades, there has been a notable increase in awareness regarding the benefits of age diversity within corporate boards, supported by extensive research. Numerous studies have explored the correlation between age-diverse boards and improved organizational performance, enhanced decision-making processes, and innovation (Bin Khidmat et al., 2020; Fernández-Temprano & Tejerina-Gaite, 2020; Gardiner, 2022). This increased awareness is further highlighted by Kang et al. (2007), who observe an active promotion of age diversity to incorporate various perspectives within succession planning. Furthermore, the European Commission advocates for heightened age diversity, noting that "resulting from the experiences and knowledge that different age groups bring to the board, increasing levels of age diversity may improve the overall level of knowledge on the board" (COM, 2010:11). Board turnover emerges as a strategic mechanism for enhancing age diversity within boards. As Europe undergoes a demographic shift towards an aging population (European Commission, 2018), the proportion of the population aged 65 and over has significantly increased. This demographic trend has naturally decreased the pool of available candidates for board positions, creating more opportunities for younger individuals to be appointed (Marois et al., 2020). Turnover can facilitate the replacement of retiring older directors with younger individuals, who bring fresh perspectives and contemporary insights into strategic decision-making processes (Fernández-Temprano & Tejerina-Gaite, 2020). Considering the changing demographic trends, the increasing proportion of elderly individuals in Europe, and the emerging acknowledgment and awareness of the advantages of age diversity in corporate governance, board turnover is expected to play a role in promoting greater age diversity on boards.

H2a: Board turnover is positively related with age diversity on boards (ROA)

H2d: Board turnover is positively related with age diversity on boards (MTB)

2.3.2 The effect of board turnover on gender diversity

The growing awareness of the benefits of board diversity, particularly in relation to gender, has substantially increased during the past few decades, as a meta-analysis shows that gender-diverse boards contribute to improved accounting returns, monitoring abilities and increased strategic involvement (Post & Byron, 2014). Besides this heightened awareness in literature,

there was also a growing interest among policymakers in ensuring that corporate boards are gender balanced (Seierstad & Opsahl, 2011). Various regulatory and legislative measures were implemented and tightened the past few decades to increase gender diversity in boardrooms in Europe. To set the example, Norway introduced a 40% gender quota for public company boards in 2003 (Seierstad & Opsahl, 2011), followed by more gender quotas or target figures in the rest of Europe (Terjesen et al., 2014; Bennouri et al., 2020). Board turnover can serve as a mechanism to comply with these quotas, facilitating the replacement of outgoing directors with female candidates to meet regulatory requirements, effectively increasing the representation of women on boards. Additionally, shareholder activism and pressure from institutional investors have driven companies to prioritize gender diversity in their governance structures (Rastad & Dobson, 2022). The expanding pool of qualified female candidates, resulting from improved educational and professional opportunities over the past four decades, has also contributed to this trend (Weber et al., 2014). Moreover, the broader societal shift towards gender equality has reinforced the importance of gender-diverse boards, as organizations with such boards are perceived more favorably by the public and benefit from a stronger corporate reputation (Bear et al., 2010). Against this background, the following hypothesis can be formulated:

H2b: Board turnover is positively related with gender diversity on boards (ROA)

H2e: Board turnover is positively related with gender diversity on boards (MTB)

2.3.3 The effect of board turnover on nationality diversity

Board turnover can significantly enhance nationality diversity on boards, especially as firms expand their global reach. Directors with diverse nationalities bring unique cultural perspectives and extensive international networks, which are valuable for navigating different markets and forming strategic partnerships (Masulis et al., 2012). As companies have increasingly operated more internationally over the past few decades (Frankel, 2000), the need for cross-cultural competence on boards has grown. Turnover provides a mechanism to introduce directors with the necessary global experience and insights. Additionally, the inclusion of foreign board members helps companies better understand and address global challenges and opportunities (Boone et al., 2018). Van Veen & Elberstsen (2008) highlight that several studies show an increase over years in nationality diversity on boards of multinational companies in Europe. Estélyi & Nisar (2016) also argue that globalization often results in the appointment of directors with international backgrounds, thereby enhancing overall nationality diversity and enabling boards to operate more effectively in diverse cultural contexts.

Furthermore, there is an increased interest in the benefits of nationality diversity in boards within the literature (Khatib et al., 2020). Given these trends and the growing recognition of the value of diverse perspectives, especially with the emphasis on the global economy over the past few decades, the following is hypothesized:

H2c: Board turnover is positively related to nationality diversity on boards (ROA)

H2f: Board turnover is positively related to nationality diversity on boards (MTB)

2.4 Board diversity post-acquisition performance

According to resource dependency theory (Pfeffer and Salancik, 1978), boards play a crucial role in enhancing firm performance by refusing reliance on external factors and uncertainties. This way transaction costs are mitigated, and survival prospects are enhanced. So, when viewing boards through a resource dependency lens, it can be argued that a more diverse board offers increased opportunities for establishing connections and accessing diverse resources (Spence, 1973). Furthermore, greater overlap among directors can lead to greater cohesiveness of the group, which in turn can result in group think. Groupthink is a mode of thinking by highly cohesive groups, where the desire for consensus by group members overrides critical thinking and correct judgment (Janis, 1972). In order to minimize conflicts and achieve consensus, alternative viewpoints or courses of action are not thoroughly evaluated or disregarded. According to Janis (1972) several conditions can increase the likelihood of groupthink, including cohesiveness, or structural flaws such as the uniformity of background and ideology. Even intelligent individuals in corporate boards within a group can make poor decisions when susceptible to the dynamics of groupthink. Therefore, it seems even more sensible to obtain boards with a diverse mix of socio-demographic backgrounds. The following paragraphs will look into the aspects relating to the diversity of company boards and post-acquisition performance, namely age-, gender- and nationality diversity.

2.4.1 Age

In the literature the diversity of age has been researched on different performance outcomes. Directors of higher age are simultaneously associated with more and better experience, but on the other hand also with higher risk-aversion and loss of productivity (Kim and Lim, 2010). A study from Kipkirong Tarus & Aime (2014) found that age diversity produces less strategic change. Even though age diversity theoretically can have negative effects on outcomes due to

more difficulties in the social integration of different viewpoints (Williams & O'Reilly, 1998), negative empirical evidence of firm performance due to age diversity is not commonly found in the literature (Gardiner, 2022).

A study conducted by Darmadi (2011) did not yield statistically significant results for age diversity in Indonesian boards of directors concerning return on assets and Tobin's Q as measures of firm performance. Mahadeo et al., (2012) however also investigated the relationship between age board diversity on firm performance and did find a positive result. Kang et al., (2007) also advocate for age diversity to provide firms with perspectives from different age groups for successful planning. They argue that a wider age range among board members is beneficial, with older members contributing accumulated experience and resources, middle-aged members executing tasks and responsibilities, and younger members bringing energy to formulate future plans. Additionally, Grund and Westergård-Nielsen (2008) found that groups that are more heterogenous in terms of age are more productive and consider more different perspectives. Age diversity within the board can mitigate groupthink and enhance board effectiveness by balancing the youthful enthusiasm, energy, and risk-taking propensity of younger directors with the experience, caution, and risk aversion of older directors (Ararat et al., 2015). Typically, younger individuals have greater familiarity with new technologies and tend to generate more innovative ideas, while older individuals often possess a more extensive network and deeper knowledge of intra-firm structures and relevant markets (Grund & Westergård-Nielsen, 2008). Also, in the context of M&A's age diversity on boards is positively related to value-creation (Defrancq et al., 2020). From a resource dependency perspective, age diversity enhances firm performance by providing access to a broader range of external resources and networks. The varied knowledge, risk behaviors, and experiences of board members of different ages enable organizations to better navigate and manage external dependencies. This diversity is particularly important in the turbulent post-acquisition period, where different perspectives and expertise are essential for addressing challenges and seizing new opportunities. Against this background, the following is hypothesized:

H3a: Age diversity in the board mediates the positive relationship between board turnover and post-acquisition performance (ROA).

H3b: Age diversity in the board mediates the positive relationship between board turnover and post-acquisition performance (MTB).

2.3.1 Gender

Gender diversity is a well-researched topic in the literature concerning the impact of board diversity. Over the past few decades, there has been growing consensus that gender influences the values, cognitions, perceptions, and decision-making processes of top managers and board members (Dezsö and Ross, 2012). Although the representation of female board members in Europe has been increasing, promoting gender diversity in corporate leadership remains a persistent effort. As recently as November 2022, the EU adopted another directive aimed at improving gender balance among directors of listed companies (*Directive - 2022/2381 - EN - EUR-LEX*, z.d.). Besides ethical considerations, there is an ongoing economic debate regarding the impact of gender parity on firm performance and other characteristics. The results are mixed; some studies find positive relationships between gender diversity and firm performance (Ding et al., 2024; Chen et al., 2016; Green & Homroy, 2018; Carter et al., 2003), while others find negative (Adams & Ferreira, 2009; Ahern & Dittmar, 2011; Ali et al., 2013) or no relationships at all (Chapple & Humphrey, 2014). However, two meta-analyses focusing on financial firm performance found that most research points to evidence of a positive relationship between female participation in boards and management and financial performance (Gaio et al., 2024; Post & Bryon, 2014). According to resource dependency theory, gender diversity would enhance the board's ability to include and evaluate a variety of knowledge and perspectives. Research has shown that women and men bring different viewpoints and ideas, which, when combined, contribute positively to firm performance (Maznevski, 1994). Diversity fosters an environment of inclusivity, making boards better reflections of diverse societies. The presence of women in boards introduces fresh skills and perspectives, injecting new dynamics into board deliberations and improving governance (Jamali et al., 2007).

Given that most corporate boards in the EU are still predominantly male (European Union, 2023), increasing female representation can address this imbalance and harness the benefits of diverse perspectives. In the context of post-acquisition performance, female directors can contribute to better integration and strategic oversight by providing fresh insights and enhancing the board's adaptability during the critical and turbulent post-acquisition phase (Tran et al., 2024). Thus, the inclusion of more female directors can lead to improved post-acquisition performance by creating a more innovative and flexible approach to integration challenges. Against this background, the following hypothesis can be formulated:

H3b: Higher female representation in the board mediates the positive relationship between board turnover and post-acquisition performance (ROA)

H3c: Higher female representation in the board mediates the positive relationship between board turnover and post-acquisition performance (MTB)

2.3.3 Nationality

The relationship between nationality diversity on boards of directors and firm performance is less explored in the literature compared to gender or age diversity. Nationality, defined as the relationship between a person and the state to which they belong, differs from ethnicity, which pertains to identification with a particular racial, religious, or cultural group. Research on the impact of nationality diversity on firm performance has shown mixed results. For instance, Engelen et al. (2012) found no significant impact of nationality diversity on firm performance in the Netherlands during the 2008 financial crisis, and Darmadi (2011) reported similar findings for Indonesian firms. Conversely, Mi Choi et al. (2012) and Nielsen and Nielsen (2013) found that foreign board members positively influenced firm performance, attributing this to enhanced information processing and decision-making capabilities. Fernández-Temprano & Tejerina-Gaite (2020) also found a positive relationship between foreign board members and firm performance. However, a meta-analytic review by Yagli and Simsek (2017) found that overall, a positive relation between nationality diversity in boards and accounting based-firm performance can be assumed.

According to resource dependency theory, the presence of foreign board members can enhance a firm's strategic decision-making and access to external resources by bringing diverse experiences, perspectives, and cultural backgrounds (Pfeffer & Salancik, 1978; Oxelheim et al., 2013). During the post-acquisition period, which is often turbulent and marked by significant integration challenges, the diverse insights and networks that foreign directors bring can be particularly beneficial. These directors can facilitate better understanding and management of cross-border operations, provide unique perspectives on integration strategies, and enhance the firm's ability to navigate complex global environments (Kaczmarek et al., 2012). Furthermore, the diversity in nationality can aid in better filtering, interpretation, and processing of relevant information, which is crucial during the integration phase post-acquisition (Nielsen & Nielsen, 2013). The inclusion of diverse national perspectives can reduce risks associated with integration and improve firm performance by ensuring a more comprehensive approach to decision-making. By addressing potential cultural conflicts, understanding market dynamics,

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

and leveraging international networks, nationality diversity enhances strategic flexibility and adaptive capability (Carter et al., 2010). Based on these insights and findings, the following hypothesis is proposed:

H3c: Nationality diversity in the board mediates the positive relationship between board turnover and post-acquisition performance (ROA).

H3f: Nationality diversity in the board mediates the positive relationship between board turnover and post-acquisition performance (MTB).

3. Methodology

This study adopts a quantitative research design to investigate the relationship between board turnover, board diversity, and post-acquisition performance. It involves the collection and analysis of empirical data to test the formulated hypotheses derived from the theoretical framework. All hypotheses will be empirically tested using the statistical tool SPSS. The following figure 2 provides an overview of the conceptual model of this research, including the hypotheses regarding the impact of board turnover and board diversity on financial performance and board turnover on board diversity. The expected direction of relations is presented as well.

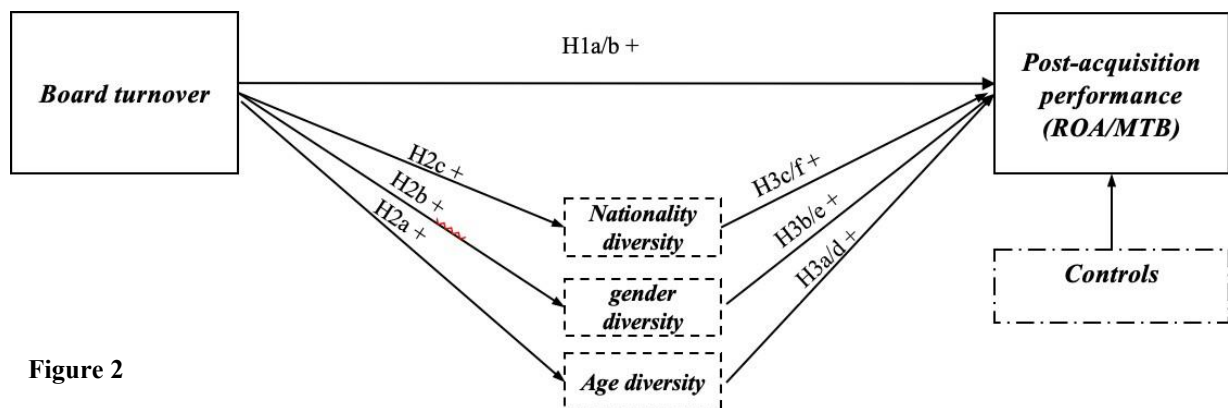


Figure 2

3.1 Methods used for data analysis in this research

To investigate the hypotheses outlined in the introduction, an ordinary least squares regression (OLS-regression) will be executed. This method is widely used in the board diversity literature, as demonstrated by studies such as those by Adams & Ferreira (2009), Carter et al. (2010), Bear et al. (2010), Harjoto et al. (2014), and Darmadi (2011). As previously mentioned, the first hypothesis aims to assess the influence of board turnover and board diversity on post-acquisition performance. To explore H1a/b a regression analysis will be conducted. The dependent variable, post-acquisition performance, will be measured using ROA and the MTB-ratio over a multi-year period (one year before acquisition and three years after acquisition). This results in the following model

H1a/b (ROA/MTB):

$$\begin{aligned}
 & \text{Post acquisition performance}(ROA/MTB) \\
 & = \beta_0 + \beta_1 * boardturnover + Controls + \epsilon t
 \end{aligned}$$

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Where *Post acquisition performance* represent the difference between the ROA or *MTB* of the acquiring company between $t = 4$ and $t = -1$ with t in years. β_0 is the estimated value of post-acquisition performance when board turnover is zero, the intercept. β_1 represents the estimated change in post-acquisition performance for a one-unit change in board turnover. *Boardturnover* is the independent variable as described before, *Controls* is the set of control variables and $\epsilon\tau$ is the normally distributed error term.

For the H2, the impact of board turnover on board diversity, two sets of three other regression analysis will be conducted for the ROA model and MTB model. Board diversity consists of three aspects, all three act as a mediator, meaning they help explain the relationship between board turnover and post-acquisition performance. In this research board diversity is estimated by involving the gender diversity ratio, the standard deviation of age, and the nationality-index. This results in the following three models:

H2:

$$\begin{aligned} & \text{BoardDiversity (age, gender, nationality)} \\ & = \beta_0 + \beta_1 * \text{Board Turnover} + \text{Control Variables} + \epsilon\tau \end{aligned}$$

Where β_0 represents the intercept. β_1 represents the estimated change of the assumed aspect in board diversity for a one-unit change in board turnover. *Controls* is the set of control variables and $\epsilon\tau$ is the normally distributed error term, representing the unexplained variability in the specific aspect of board diversity after accounting for board turnover and control variables.

For H3, exploring the impact of board diversity on post-acquisition performance, two other sets of three regression analyses will be conducted. The equations for the regression models are as follows:

H3a-f

$$\begin{aligned} & \text{Post – acquisition performance (ROA/MTB)} \\ & = \beta_0 + \beta_1 * \text{Board diversity(age, gender, nationality)} \\ & + \text{Control Variables} + \epsilon\tau \end{aligned}$$

Here, β_0 represents the intercept again. β_1 represents the coefficient of board diversity, indicating its direct effect on post-acquisition performance. Control variables are incorporated to adjust for other potential influences on post-acquisition performance that are not the primary

focus of the analysis. The error term $\epsilon\tau$ captures the unexplained variability in post-acquisition performance not accounted for by the independent variables and control variables. This analysis aims to explore how age, gender, and nationality diversity within the boardroom influence the firm's post-acquisition performance. For each dependent variable (ROA & MTB), three regression analyses are conducted, each focusing on a different aspect of diversity. By conducting these regression analyses, the goal is to understand the nuanced relationship between board diversity and post-acquisition performance, highlighting the impact of diverse board compositions on firm outcomes following acquisitions.

3.2 Assessing mediation

Assessing mediation involves understanding the underlying mechanisms through which an independent variable affects a dependent variable (Baron & Kenny, 1986). In this study, the aim is to examine the indirect effect of the independent variable (board turnover) on the dependent variables (post-acquisition performance ROA and MTB) through three mediator variables: age diversity, gender diversity, and nationality diversity.

To assess mediation, two parallel mediation analyses will be conducted. One for the dependent variable ROA and another for the dependent variable MTB. The indirect effects of each mediator variable will be evaluated separately, making it possible to understand the unique contribution of each mediator to the relationship between board turnover and post-acquisition performance. ROA is an accounting metric and MTB is a market metric, by analyzing both metrics separately, a more comprehensive understanding of the financial performance can be achieved. In each model, the mediator variable will be regressed on the independent variable (board turnover) to obtain the coefficient (a) representing the effect of board turnover on the mediators. Subsequently, the dependent variable (post-acquisition performance) will be regressed on the mediator variable, controlling for the independent variable, to obtain the coefficient (b) representing the effect of the mediator on the dependent variable. The indirect effect of each mediator variable will then be calculated as the product of coefficients ($a \times b$), representing the extent to which the mediator variable mediates the relationship between board turnover and post-acquisition performance. Additionally, the total effect (path c) of board turnover on post-acquisition performance will be examined, which represents the overall relationship without considering the mediators (Baron & Kenny, 1986). Finally, the direct effect (path c') of board turnover on post-acquisition performance after accounting for the effects of the mediator variables will be assessed (Baron & Kenny, 1986). Path ' c ' provides insights into

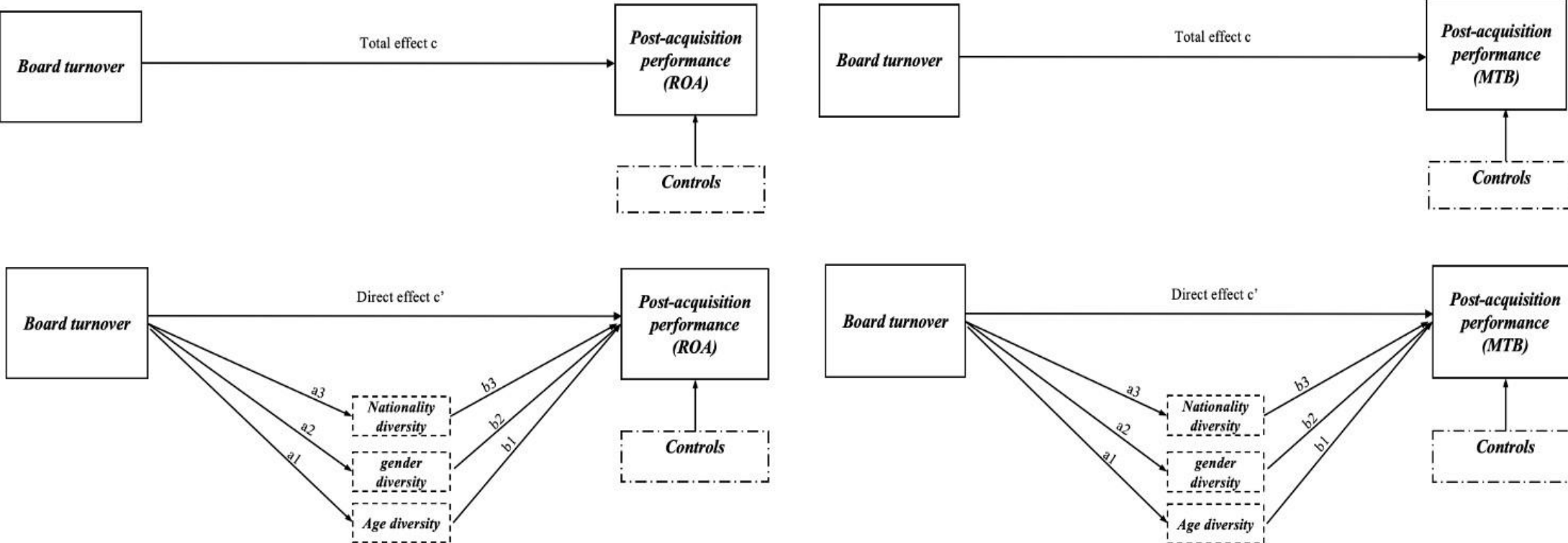
B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

the specific impact of board turnover on post-acquisition performance that is independent of the mediators. The mediation analyses for ROA and MTB are shown visually in figure 3.

Process Macro, a bootstrapping statistical computer tool written by Andrew Hayes as an extension in SPSS software, will be utilized to conduct the mediation analysis. The program examines the effect for one or more mediating variables on the relationship between the independent en dependent variables (Hayes, 2022). One of the advantages of using Process is its robustness to violations of assumptions such as normality of residuals. This is achieved through the utilization of bootstrapping techniques (5000 iterations). As a result, Process offers a reliable approach for estimating mediation effects while accommodating potential violations of statistical assumptions such as the normal distribution or heteroscedasticity.

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Figure 3



3.3 Robustness check of results

This study will incorporate several robustness checks to validate the findings. Robustness checks aim to ensure the stability of the research conclusions across various scenarios. As noted by Lu and White (2014), these tests are implemented to mitigate the risk of results being driven by random chance. It is important to keep the same components in the models and test them in other ways to make sure they are stable. In this study, post-acquisition performance is evaluated using two metrics, MTB and ROA, providing an inherent robustness check. However, to ensure the validity of the analysis, additional Robustness checks will be conducted. Additionally, a sensitivity analysis will be executed by retaining outliers in the analysis to exhibit the impact of outliers on the results. Outliers typically represent exceptional cases within a sample. These outliers have the potential to either deflate or inflate the sample mean, thereby affecting any estimates of treatment effect or association that rely on the mean (Thabane et al., 2013).

3.4 Measurement of variables

This section introduces the variables used in this study to explore how board turnover and board diversity relate to post-acquisition performance. The independent variables represent measures indicating board turnover, while the dependent variables represent measures reflecting post-acquisition performance. The mediators include measures representing different aspects of board diversity. Additionally, the control variables will be discussed and explanations for their inclusion will be provided. Lastly, this section will conclude by defining and describing each variable used in the analysis.

3.4.1 Dependent Variables: Post-Acquisition Performance (ROA and MTB Ratio)

Post-acquisition performance will be measured using two metrics. Firstly, an accounting measure, namely ROA and secondly a market measure, namely MTB. ROA measures a company's profitability by calculating the ratio of net income to total assets. It provides insight into how efficiently a company is utilizing its assets to generate profits. ROA data will be collected from LSEG. MTB will also be used to measure post-acquisition performance: The MTB ratio compares the market value of a company's equity to its book value. It reflects investors' perceptions of a company's future growth prospects and asset value. MTB data will also be obtained from LSEG. Both measures are widely used indicators in M&A studies to evaluate post-acquisition long-term performance (Akben-Selcuk & Alitiok-Yilmaz, 2011;

Suryaningrum et al., 2023; Nguyen & Nielsen, 2010; Agrawal & Jaffe, 1999; Adams & Ferreira, 2009; Zollo & Singh, 2009; Jeong, 2020; Cui & Leung, 2020).

For each acquisition included in the sample, the change is computed by determining the ratio of the acquiror's ROA and MTB-ratio for the 3 years following the completion of the acquisition to the ROA and MTB-ratio in the year prior to the acquisition completion, as described by the equations below.

$$ROA_{\Delta} = \frac{Acquirer\ ROA\ \tau+3 - Acquirer\ ROA\ \tau-1}{Acquirer\ ROA\ \tau-1}$$

$$MTB_{\Delta} = \frac{Acquirer\ MTB\ \tau+3 - Acquirer\ MTB\ \tau-1}{Acquirer\ MTB\ \tau-1}$$

Where *Acquirer ROA* $\tau+3$ is the return on assets of the acquiring company three years after the acquisition and *Acquirer ROA* $\tau-1$ is the return on assets of the acquirer one year prior to the acquisition. The same goes for the MTB-ratio, where *Acquirer MTB* $\tau+3$ is the market to book-ratio of the acquiring company three years after the acquisition and *Acquirer MTB* $\tau-1$ is the market to book-ratio of the acquirer one year prior to the acquisition.

3.4.2 Independent Variable: Board Turnover

Board turnover refers to changes in the composition of the board of directors due to the departure or appointment of board members. Data on board turnover will be collected from BoardEx Europe. The turnover rate will be calculated based on the number of board members who left or joined during a specific period. In different research examining board turnover, the magnitude of board turnover is calculated by summing the number of outgoing and incoming directors over 3-year period and dividing the resulting total by the number of board members at the end of the first year (Cho and Shen, 2007; Qiang et al., 2022). Because the standard director service term is three years (Srinivasan, 2005) The magnitude of board turnover in this research is also determined over a time window of 3 years. The measurement of board turnover is represented by the following equation:

$$Board\ turnover = \frac{DirctIN_{t-2} + DirctOUT_{t-2} + DirctIN_{t-1} + DirctOUT_{t-1} + DirctOUT_t}{Boardsize_t - 2}$$

The variable $DirctIN_t$ represents the number of incoming directors in a specific year, $DirctOUT_t$ represents the number of outgoing directors in the same year, and $Boardsize_{t-2}$ quantifies the board's size at the end of $t-2$.

3.4.3 Mediators: Board Demographic Diversity (age, gender, and nationality)

In this thesis board demographic diversity, includes age-, gender-, and nationality diversity. These three indicators of board diversity will serve as mediating variables. Data on board demographics will be collected from BoardEx Europe. For each acquisition in the sample, the change in the indicators of board demographic diversity is calculated by comparing the specific diversity indicator of the acquirer for the three years following the completion of the acquisition to that of the acquirer in the year before the completion of the acquisition.

Age diversity will be measured by calculating the standard deviation of age, just like Fernández-Temprano & Tejerina-Gaite (2020), Marinova et al.,(2010) & Oxelheim et al., (2006) did in their research on board diversity. To calculate age diversity, we use the following formula, which also considers the change over the period of one year before the acquisition and three years after the acquisition.

$$AGE_{delta} = \frac{AcquirerAGE_{STDV \tau+3} - AcquirerAGE_{STDV \tau-1}}{AcquirerAGE_{STDV \tau-1}}$$

Where $AcquirerAGE_{STDV \tau+3}$ is the standard deviation of age in the board of the acquiring company three years post the completion of the acquisition, and $AcquirerAGE_{STDV \tau-1}$ is the standard deviation of age in the board of directors of the acquiring company one year prior to the completion of the acquisition.

Gender diversity will be measured as the percentage of women on boards, by dividing the total amount of women on boards divided by the total number of board members. Fernández-Temprano, & Tejerina-Gaite (2020), Adams & Ferreira (2009), Campbell & Minguez-Vera (2008) and Talavera et al., (2018) also measured gender diversity this particular way. This study attempts to examine the difference in board diversity over a given period and how this affects the difference in the companies' financial performance over that same period. Therefore, gender diversity is expressed by the following equation:

$$DIV\delta = \frac{Acquirer\%womenboard\ \tau+3 - Acquirer\%womenboard\ \tau-1}{Acquirer\%womenboard\ \tau-1}$$

Where *Acquirer%womenboard* $\tau+3$ is the percentage of women on the board of the acquiring company three years post the completion of the acquisition, and *Acquirer %womenboard* $\tau-1$ is the percentage of women on the board of the acquiring company one year prior to the completion of the acquisition.

Nationality diversity will be measured with the Shannon-Wiener index, one of the most popular diversity-indices used in ecology (Krebs, 1999). The index captures both the number of species and their distribution (Spellerberg & Fedor, 2003; Chen & Liang, 2016). Because the Shannon-Wiener index contains a logarithmic component, the index tends to show a more linear increase in range of frequency. This ensures that the Shannon-Wiener index shows similar changes due to changes in both small and large groups (Campbell & Miguez-Vera, 2008). The measurement of nationality diversity for a particular year is represented by the following equation (Krebs, 1989):

$$\Delta sh = \frac{1}{k} \sum_{i=1}^k f_i * \log f_i$$

Here, ΔSh represents the Shannon-Wiener index, where k denotes the number of nationalities, and f_i is the relative frequency of the i the nationality. To calculate nationality diversity, we use the following formula, which also considers the change over the period of one year before the acquisition and three years after the acquisition:

$$NAT\delta = \frac{AcquirerSD_{I\&D}\tau+3 - AcquirerSD_{i*+ex}\tau-1}{AcquirerSD_{i*+ex}\tau-1}$$

Where *AcquirerSD*_{I&D} $\tau+3$ represents the Shannon-Wiener index value of the acquiring company three years post the completion of the Acquisition, and *AcquirerSD*_{i*+ex} $\tau-1$ is the Shannon-Wiener index value of the acquiring company one year prior to the completion of the acquisition.

3.4.4 Control variables

This study incorporates several control variables commonly addressed in the literature concerning firm or acquisition performance. One such variable is **board size**, referring to the

changes of the total count of directors on a board during the period measured in this research. According to resource dependency theory, an increase board size can provide new resources to the firm (Hillman et al., 2009; Jackling & Johl, 2009). Larmou and Vafeas (2009) also found that the market reacts favorably to board size increases. However, conflicting findings have also emerged, suggesting that larger boards may engender higher conflict rates (Carter et al., 2010). As this study focuses on investigating changes over time, board size is computed as a delta just like Eisenberg et al, (1998) did in their study. **Board experience**, which is associated with enhanced acquisition returns (Kroll et al., 2008), is also included as a control variable. Board experience is quantified by aggregating the years of experience as advisory directors (Faleye et al., 2012) and tenure (Howton, 2006) among board members, divided by the total number of board members. Again, because this study measures performance over time, there will be controlled for an increase or decrease in board experience in the post-acquisition period. Another control variable is **CEO duality**, which describes the scenario wherein a CEO concurrently serves as both the CEO and the board chair of a company (Krause et al., 2014). While Masulis et al. (2005) identified a negative correlation between CEO duality and M&A performance, He and Wang (2009) reported a positive impact on the MTB ratio. In this study, CEO duality is represented as a dummy variable set equal to 1 when a firm's CEO also holds the position of board chair, consistent with the research by He and Wang (2009). Given the fact that this study measures variables over time, CEO duality is considered present if it occurs in one or more years within the performance evaluation period. Furthermore, **industry relatedness** may exert an influence on acquisition performance because of the heightened potential for synergies (Lewis et al., 2019; Cefis et al., 2020; Chatterjee, 1986). Evaluating industry relatedness typically entails comparing the Standard Industrial Classification (SIC) codes of acquiring and target companies, a method commonly employed in scholarly inquiry (Miller, 2006; Akbulut & Matsusaka, 2010). Complete similarity in SIC codes at the four-digit level generally signifies a degree of industry relatedness, consistent with the assertion by Morck et al. (1990) that an acquisition tends to align with the acquirer's expertise domain. In this study, industry relatedness is represented as a dummy variable set equal to 1 when the four-digit SIC codes of the acquirer and target exhibit total similarity. **Cross-border acquisitions** can exert a negative influence on acquisition performance due to an increased risk of information asymmetry (Amar et al., 2011; Lim et al., 2016) or risk reduction (Seth et al., 2002) and thus is also controlled. Furthermore, this research controls for one- and two-tier **board structures**. Research found that adopting a one-tier board can worsen firm performance (Bellavite Pellegrini et al., 2015; Bellavite Pellegrini & Sironi, 2017). Since in European countries both

types of board structures can be present, and this might also impact the relationships measured in this study. Finally, this research accounted for **industry-effects** because the correlation between board diversity and financial performance may vary across different sectors (e.g., Carter et al., 2010; Jackson et al., 2003; Kang et al., 2007). The research accounted for industry effects by means of a fixed effects regression with the financial service sector as reference industry. Industry 0 was removed due to a lack of information. Table 1 provides the definitions, labels, measurement details & references of all variables utilized in this study.

Table 1

Variables	Variable label	Measurement	Reference
Dependent variables			
Return on assets	ROAdelta	Δ Earnings before interest and taxes / total assets	Akben-Selcuk & Alitiok-Yilmaz, 2011; Suryaningrum et al., 2023; Adams & Ferreira, 2009; Zollo & Singh, 2009; Jeong, 2020
Market to book-ratio	MTBdelta	Δ Common shareholder equity / current market capitalization	Nguyen & Nielsen, 2010; Agrawal & Jaffe, 1999; Schwert, 2000; Cui & Leung, 2020
Independent variable			
Board turnover magnitude	Boardturnover	Turnover rate (directors going in & out of the board calculated over t, t-1 and t-2) / board size	Cho and Shen, 2007; Qiang et al., 2022; Srinivasan, 2005
Mediator variables			
Age diversity	AGEDelta	Δ Standard deviation age on board	Fernández-Temprano & Tejerina-Gaite 2020;, Marinova et al., 2010; Oxelheim et al., 2006
Nationality diversity	NATdelta	Δ Shannon-Wiener index applied to board	Krebs, 1989; Spellerberg & Fedor, 2003; Chen & Liang, 2016; Campbell & Minguez-Vera, 2008
Gender diversity	DIVdelta	Δ Ratio men-women on board as % of women on the board	Fernández-Temprano, & Tejerina-Gaite, 2020; Adams & Ferreira, 2009; Campbell & Minguez-Vera, 2008; & Talavera et al., 2018
Control variables			
Industry relatedness	IndustryRelatedness	Similar SIC-code = 1; No similar SIC-code = 0	Lewis et al., 2019; Cefis et al., 2020; Chatterjee, 1986; Miller, 2006; Akbulut & Matsusaka, 2010; Morck et al., 1990

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

CEO duality	DualityPresence	CEO duality presence in Δ period = 1; No CEO-duality presence in Δ period = 0	Krause et al., 2014; Masulis et al., 2005; He and Wang 2009
Board experience	EXPdelta	Δ Years of board experience	Kroll et al., 2008; Faleye et al., 2012; Howton, 2006
Board size	BSdelta	Δ Number of board members	Hillman et al., 2009; Jackling & Johl, 2009; Carter et al., 2010; Larmou & Vafeas, 2009; Eisenberg et al, 1998
One-tier or two-tier board	OneTier_Dummy	One-tier board structure = 1; two-tier board structure = 0	Bellavite Pellegrini et al., 2015; Bellavite Pellegrini & Sironi, 2017
Cross-border acquisition	CrossBorderDeal	Cross border acquisition = 1; no cross-border acquisition = 0	Amar et al., 2011; Lim et al., 2016) Moeller & Schlingemann, 2005); Seth et al., 2011
Industry	Ind_Dummy	Categorical variable: one digit SIC 1 = mining & construction 2 = Manufacturing; food, apparel, paper & chemicall 3 = manufacturing; rubber, leather, stone, metal & electronic 4 = Transportation & communication 5 = Wholesale & retail trade 6 = Financial services, insurance & real estate 7 = Travel & entertainment 8 = Other services 9 = Public administration	Moeller & Schlingemann, 2005; Carter et al. 2003; Kang, 2007; Jackson et al., 2003

4. Data

4.1 Sample Selection

This study employs a quantitative research method, more specifically an OLS-regression- and mediation analysis will be conducted, using historical data sourced from several databases provided by Radboud University. To retrieve the information needed to examine the hypotheses, three main databased will be utilized: BoardEx Europe for information about board diversity and board turnover rates, Orbis M&A to collect a sample of the acquiring and acquired companies that will be researched, and LSEG for information about financial performance to measure the post-acquisition performance. The data from these various databases will be merged into a separate dataset in STATA. Next, some of the data will be coded in STATA if needed to create measurable variables. Thereafter, the potential relationships between the measurable variables will be statistically analyzed using SPSS and the extension PROCESS created by Andrew Hayes.

The dataset entails publicly traded companies based in the European Union (28 member states) that have acquired other listed companies within a specified time period. Further selection criteria for this research sample include acquisitions that have taken place within the timeframe from 1 January 1997 to 31 Dec 2019; Information about the acquisitions up to 31 December 2022, three years after the acquisition is completed; Involving only acquisitions with a final stake of 100%; Completed acquisitions and a deal value exceeding EUR €1 million.

Firms that lack sufficient information will be excluded from the sample, for example when firms do not have financial data available. In some cases, companies may opt not to disclose certain financial information, such as ROA or MTB ratios. This could be due to a perceived lack of importance attached to such data or a desire to maintain confidentiality to protect their reputation. Estimating these financial values can be challenging and deciding whether to impute missing data poses a complex dilemma (Bryzgalova et al., 2022). In light of this, a pragmatic approach was adopted, wherein cases with missing financial data were excluded from the sample. The same goes for turnover magnitude and dummy variables since imputation would give a distorted picture. In the end 14 cases missed values for NATdelta and 4 cases missed values for AGEdelta. For these missing values a mean imputation was conducted since the mean of these variables was quite estimable and relatively few values were missing. After merging the databases and excluding cases that did not disclose the data needed for this research 2014 cases were left.

4.2 Research ethics and use of AI-tools

In conducting this research, ethical considerations were high priority, ensuring transparency, accuracy, and integrity in data collection and analysis. Data privacy and confidentiality were strictly maintained, particularly given the use of sensitive financial and board diversity information from publicly traded companies. Additionally, AI tools, specifically ChatGPT, were utilized to assist with SPSS data analysis processes, ensuring efficiency and accuracy in statistical analysis. The use of AI was confined to enhancing methodological precision while adhering to ethical standards in this research.

4.3 Data preparation

Prior to performing the mediation analysis and OLS regression, several preparations were made, and underlying assumptions were checked. First of all, to **detect outliers** in the data, the first step involved standardizing the ROA and MTB variable, which entails subtracting the mean from each value and dividing by the standard deviation (Field, 2013). This process resulted in a new variable containing the z-scores of the ROA and MTB variables. Subsequently, a threshold of 3 standard deviations above and below the mean was utilized to identify outliers. This method of outlier detection is widely recognized in statistical literature as a common approach for identifying extreme values (Tabachnick & Fidell, 2019; Field, 2013). After removing the outliers, Cook's distance < 0.5 , so there were no influential points in the sample that needed further investigation (Tabachnick & Fidell, 2019). To assess the extent to which the results of the regression with ROA- and MTBdelta as the dependent variable differ with and without outliers, two separate regression analyses were conducted. In each analysis, the independent variable, along with the mediators and control variables were employed as predictors. The models without outliers were both significant as opposed to the models with outliers. Also, both models without outliers explained more variance than the models with outliers (Appendix I). Secondly, a check for the assumptions of an OLS regression was obtained. **Multicollinearity** was not detected since all VIF-scores have a value that lies around 1 (Appendix II). Without the outliers, the deviations from normality are also less extreme (Appendix VI). The variables are still not perfectly **normally distributed**, but since bootstrapping will be used, this is not necessarily an issue (Field, 2013). **Linearity** is checked by conducting scatterplots and partial regression plots with Loess lines (Appendix V). The plots do not produce any non-linear patterns, therefore the assumption is not violated. It's noticeable that in the scatterplot without the outliers does seem to show some **heteroscedasticity** because

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

the variance of the residuals is a bit larger in the middle of the graph than at the ends. This is however not in issue since PROCESS (Hayes, 2022) can correct for this using the HC3 function (Hayes & Cai, 2007).

5. Results

5.1 Descriptive statistics

Table 2 presents the observation numbers, means, medians, standard deviations, minimums, and maximums for all independent variables, mediators, and control variables in the two analyses. Table 3 provides the Pearson's correlation matrix, showing the correlation coefficients among the variables. Significant correlations, marked by an asterisk, are present but exhibit weak effects, as per Field (2013): ± 0.1 indicates a small effect, ± 0.3 a medium effect, and ± 0.5 a large effect.

Table 2

Descriptive statistics ROA

Variable	N	Mean	Std. Deviation	Minimum	Maximum
ROA	2006	-0.119	1.772	-17.725	18.681
Board turnover	2006	0.762	0.542	<0.001	6.000
Age diversity	2006	0.015	0.308	-1.000	4.625
Gender diversity	2006	-0.071	0.120	-0.562	0.502
Nationality diversity	2006	0.198	0.709	-1.000	4.976
Board experience	2006	0.051	0.322	-0.790	2.363
Board size	2006	0.014	0.180	-0.538	1.444
CEO duality	2006	0.390	0.489	0	1
Industry relatedness	2006	0.330	0.470	0	1
Cross border deal	2006	0.730	0.446	0	1
One-tier board	2006	0.670	0.469	0	1
Mining	2006	0.050	0.226	0	1
Construction	2006	0.160	0.366	0	1
Manufacturing	2006	0.230	0.421	0	1
Transportation	2006	0.140	0.347	0	1
Wholesale trade	2006	0.060	0.243	0	1
Financial services	2006	0.160	0.368	0	1
Travel & entertainment	2006	0.120	0.328	0	1
Other services	2006	0.070	0.254	0	1
Public administration	2006	0.000	0.032	0	1

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Descriptive statistics MTB

Variable	N	Mean	Std. Deviation	Minimum	Maximum
MTB	2012	0.047	0.883	-11.693	13.750
Board turnover	2012	0.761	0.541	<0.001	6.000
Age diversity	2012	0.015	0.308	-1.000	4.625
Gender diversity	2012	-0.071	0.120	-0.562	0.502
Nationality diversity	2012	0.198	0.708	-1.000	4.976
Board experience	2012	0.051	0.321	-0.790	2.363
Board size	2012	0.014	0.183	-0.538	1.444
CEO duality	2012	0.390	0.489	0	1
Industry relatedness	2012	0.330	0.470	0	1
Cross border deal	2012	0.730	0.446	0	1
One-tier board	2012	0.670	0.469	0	1
Mining	2012	0.050	0.226	0	1
Construction	2012	0.160	0.366	0	1
Manufacturing	2012	0.230	0.421	0	1
Transportation	2012	0.140	0.347	0	1
Wholesale trade	2012	0.060	0.243	0	1
Financial services	2012	0.160	0.368	0	1
Travel & entertainment	2012	0.120	0.328	0	1
Other services	2012	0.070	0.254	0	1
Public administration	2012	0.000	0.032	0	1

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Table 3

	VAR1	VAR2	VAR3	VAR4	VAR5	VAR6	VAR7	VAR8	VAR9	VAR10	VAR11	VAR12	VAR13	VAR14	VAR15	VAR16	VAR17	VAR18	VAR19	VAR20	VAR21	
VAR1	-																					
VAR2	0.023	-																				
VAR3	0.103**	0.037	-																			
VAR4	-0.029	0.018	-0.019	-																		
VAR5	0.079**	-0.002	-0.020	-0.011	-																	
VAR6	-0.025	-0.024	-0.034	-0.030	-0.038	-																
VAR7	0.105**	-0.008	-0.048*	-0.045*	0.198**	-0.014	-															
VAR8	0.053*	-0.008	0.048*	0.152**	-0.008	0.201**	-0.011	-														
VAR9	0.088**	-0.013	0.020	0.005	-	0.058**	-0.020	-0.019	-													
VAR10	0.078**	0.003	-0.012	0.006	0.002	0.030	-0.035	-0.029	0.021	-												
VAR11	-	0.195	-0.006	-0.012	0.010	0.004	0.035	-0.019	-0.030	0.041	-											
VAR12	0.085**	-0.19	-0.025	-0.018	-0.045*	0.072**	-0.032	0.071**	0.010	-	0.004	-0.041	-									
VAR13	0.068**	-0.012	0.007	-0.007	0.012	0.036	0.044*	-0.024	0.058**	-	0.109**	0.086**	-									
VAR14	-	-0.011	-0.021	0.028	-0.025	-0.034	0.006	-0.028	-0.002	0.035	0.085**	-0.060**	-0.104**	-								
VAR15	0.117**	0.028	0.001	0.031	0.016	-0.047*	-0.007	-0.011	-0.027	-	0.0139**	-0.007	-0.130**	-0.238**	-							
VAR16	-	-0.017	0.042	0.020	0.009	0.001	-0.027	-0.022	0.047*	0.128**	-0.143**	-0.006	-0.096**	-0.176**	-0.221**	-						
VAR17	0.066**	-0.035	-0.010	-0.018	-0.003	0.004	0.039	0.035	0.031	0.033	0.034	0.040	0.062**	-0.062**	-0.112**	-0.142**	-0.104**	-				
VAR18	0.167**	0.059**	0.018	-0.010	0.045*	0.014	0.017	-0.031	-0.022	-	0.052*	-0.164**	-0.039	-0.105**	-0.191**	-0.204**	-0.178**	-0.114**	-			
VAR19	-0.036	0.000	-0.019	-0.044	-0.023	-0.018	-0.001	0.050*	0.004	0.025	0.079**	0.042	-0.089**	-0.162**	-0.204**	-0.105**	-0.096**	-0.164**	-			
VAR20	-0.017	-0.014	-0.022	-0.038	-0.002	0.050*	0.016	0.045*	0.003	-0.027	0.045*	-0.028	-0.065**	-0.118**	-0.149**	-0.110**	-0.070**	-0.120**	-0.101**	-		
VAR21	-0.005	-0.002	0.007	-0.007	-0.050*	0.040	-0.011	0.006	0.007	-0.022	0.019	0.022	-0.008	-0.014	-0.017	-0.013	-0.008	-0.014	-0.012	-0.009	-	

Significant: *P<0.05, **P<0.01. (A legend with all variables is included in Appendix III due to the large number of variables in this study.)

5.2.1 Mediation analysis ROA

Table 4 presents the results of the mediation analyses conducted using multiple regression analyses with OLS, with ROA as the dependent variable. In the first three models the effect of board turnover on the mediators age-, gender- and nationality diversity is examined. Model 4 evaluates the impact of board turnover and board diversity measures on post-acquisition performance. Model 4 is not significant ($p = .642$), which makes it difficult to interpret the regression coefficients. Firstly, the effect of board turnover on post-acquisition performance is negative and insignificant, thus not supporting Hypothesis 1a. Model 4 also assesses the impact of board diversity measures on post-acquisition performance. Hypotheses 3a, 3b, and 3c suggest that increased age, gender, and nationality diversity positively impact post-acquisition performance. However, the results indicate that the effect of age diversity on post-acquisition performance is positive but not significant. The effects of gender diversity and nationality diversity are both negative, with nationality diversity showing an impact on post-acquisition performance which is significant at the $p < .05$ level, suggesting a cautious negative relationship between nationality diversity and lower post-acquisition performance in terms of ROA. Model 1 examines the effect of board turnover on age diversity. While the overall model is significant at the $p < .001$ level, the effect of board turnover on age diversity is negative and not significant, thus not supporting Hypothesis 2a. However, board size is a significant control variable, positively affecting age diversity. Meaning that an increase in board size is positively related to an increase of age diversity, which seems logical. Model 2 tests the effect of board turnover on gender diversity. The model is significant at the $p < .001$ level, but the effect of board turnover on gender diversity is not significant, indicating that Hypothesis 2b is not supported. Notably, CEO duality is significant and negatively affects gender diversity, while an increased board experience positively affects gender diversity. Additionally, industry-specific effects are observed, with significant negative effects in the construction- and public administration sectors, indicating less gender diversity compared to the financial services industry. Model 3 evaluates the effect of board turnover on nationality diversity. The model is significant at the $p < 0.001$ level, and the effect of board turnover on nationality diversity is negative and significant at the $p < .05$ level, contradicting Hypothesis 2c. Significant control variables include CEO duality and board size, indicating that nationality diversity is more likely to occur when board size is increased and when CEO duality was present in the three years after the completion of the acquisition.

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Table 4

Mediation-effect on ROA
(N=2006)

Variables	Model 1			Model 2			Model 3			Model 4		
	Age diversity (M1)			Gender diversity (M2)			Nationality diversity (M3)			Post acquisition performance (Y)		
	Coeff.	SE	P	Coeff.	SE	p	Coeff.	SE	p	Coeff.	SE	p
Board turnover	-0.026	0.022	.234	0.010	0.006	.097	-0.056	0.280	.045	-0.067	0.103	.503
Age diversity										0.016	0.143	.910
Gender diversity										-0.630	0.404	.119
Nationality diversity										-0.151	0.063	.016
Mining	-0.027	0.037	.474	0.005	0.013	.696	0.107	0.078	.168	-0.121	0.273	.658
Construction	-0.057	0.022	.008	-0.010	0.009	.286	-0.108	0.057	.058	-0.086	0.105	.415
Manufacturing	-0.019	0.025	.441	0.001	0.008	.896	-0.100	0.055	.069	-0.147	0.130	.259
Transportation	-0.012	0.026	.652	0.001	0.010	.900	-0.026	0.072	.072	-0.163	0.145	.261
Wholesale trade	-0.042	0.034	.214	0.001	0.013	.960	0.038	0.084	.650	0.064	0.109	.557
Travel & entertainment	-0.078	0.024	.001	-0.008	0.010	.423	-0.101	0.062	.099	0.079	0.126	.532
Other services	-0.087	0.034	.011	-0.005	0.014	.704	0.059	0.070	.399	-0.123	0.212	.573
Public administration	-0.109	0.161	.499	-0.174	0.016	<.001	0.837	1.053	.427	-0.199	0.336	.554
One-tier board	-0.029	0.017	.084	-0.024	0.006	<.001	-0.051	0.035	.137	-0.015	0.097	.875
Cross border deal	0.001	0.015	.934	0.002	0.006	.805	0.035	0.037	.347	-0.083	0.095	.386
Industry relatedness	0.008	0.014	.601	0.002	0.006	.726	0.059	0.035	.090	-0.014	0.089	.880
CEO duality	<.001	0.013	.959	-0.021	0.005	<.001	0.075	0.035	.033	0.016	0.092	.860
Board size	0.275	0.064	<.001	-0.004	0.016	.809	0.806	0.105	<.001	-0.011	0.294	.971
Board experience	-0.031	0.028	.259	0.074	0.010	<.001	-0.009	0.058	.877	0.009	0.114	.940
Constant	0.083	0.028	.003	-0.057	0.010	<.001	0.234	0.058	<.001	0.067	0.142	.640
	$R^2 = .037$			$R^2 = .060$			$R^2 = .058$			$R^2 = .008$		
	$F(15,1990) = 3.05, p < .001$			$F(15,1990) = 18.80, p < .001$			$F(15,1990) = 6.52, p < .001$			$F(18,1987) = 0.85, p = .642$		

Table 5

Comparison total, direct and indirect effects ROA

Effects		Effect	SE	p	95% CI	
					Min	Max
Total effect	c	-0.067	0.102	.513	-.268	.134
Direct effect	c'	-0.069	0.103	.503	-.271	.133
Indirect effects		Effect	SE ¹		Min ¹	Max ¹
Total	ab	-0.002	0.010		-.020	.021
Age diversity	a1b1	<0.001	0.005		-.012	.010
Gender diversity	a2b2	-0.006	0.006		-.023	.017
Nationality diversity	a3b3	0.009	0.006		-.001	.022

Table 5 presents a summary of the mediation analysis for ROA. The mediation effects were not significant as the value 0 lies within the 95% confidence interval for all mediators. Thus, the potential mediators in this analysis do not exhibit a mediation effect on the relationship between turnover and ROA delta. Figure 4 presents a visual recap of the effects that were found in the first analysis

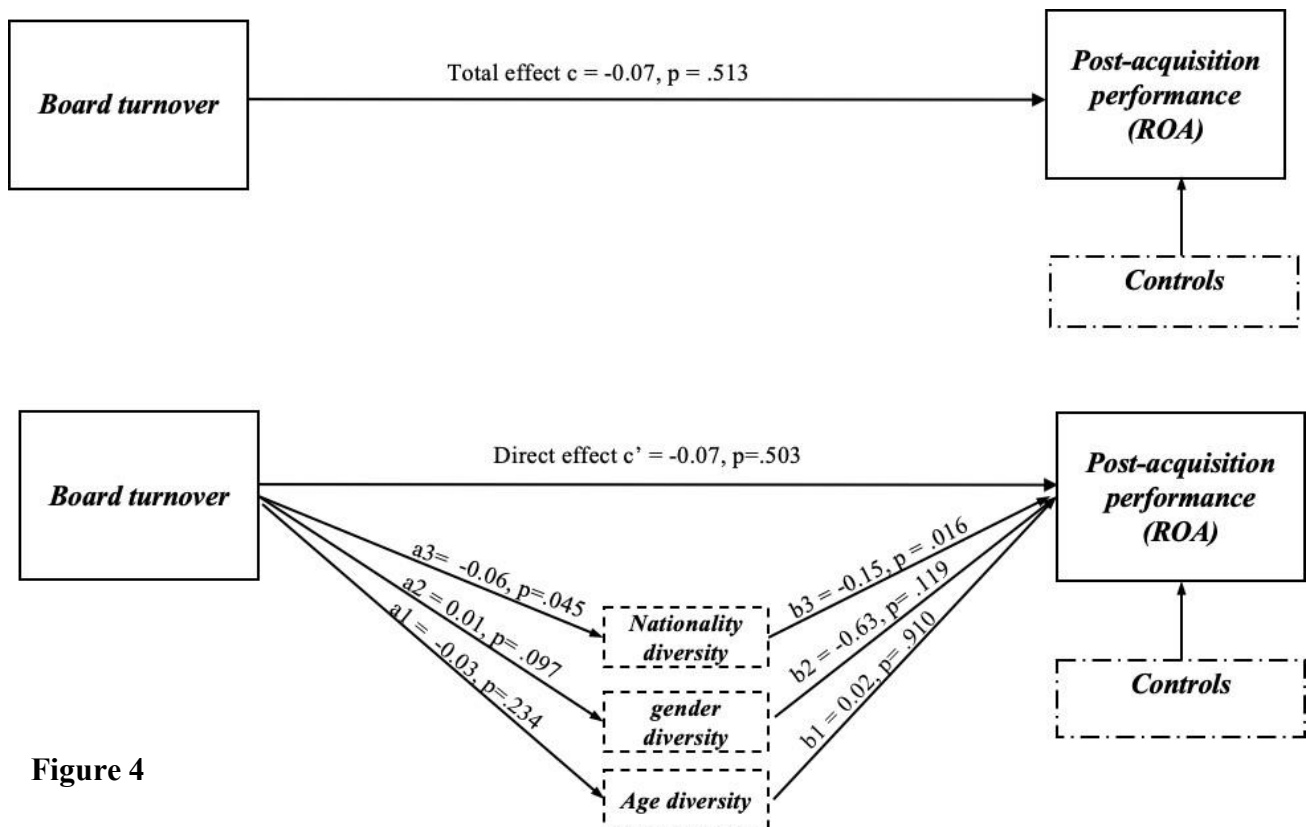


Figure 4

5.2.2 Mediation analysis MTB

Table 6 presents the results of the mediation analyses conducted using multiple regression analyses with OLS, with MTB as the dependent variable. Hypothesis 1b posited that board turnover would be positively associated with post-acquisition performance. Model 4 indicates that the effect of turnover on post-acquisition performance is positive but insignificant, not supporting Hypothesis 1b. Hypotheses 2d, 2e, and 2f proposed that increased board turnover would enhance diversity in age, gender, and nationality on the board of directors when MTB is the dependent variable. The results do not support these hypotheses. Model 1 is significant at the $p < .001$ level, but the effect of board turnover on age diversity is negative and non-significant, not supporting Hypothesis 2d. However, board size is a significant covariate again, indicating that an increased board size tends to imply an increase in age diversity. Also Model 2 is significant at the $p < 0.001$ level, yet the effect of board turnover on gender diversity is not significant, thus not supporting Hypothesis 2e. CEO duality and board experience are significant, showing a negative relationship between CEO duality and gender diversity, and a positive relationship between increased board experience and increased gender diversity. Model 3 is again significant at the $p < 0.001$ level, but the effect of board turnover on increased nationality diversity is negative and significant, thereby not supporting Hypothesis 2f. The control variables industry relatedness, CEO duality, and board size are significant, highlighting their influence on nationality diversity. Hypotheses 3d, 3e, and 3f asserted that increased age, gender, and nationality diversity would positively impact post-acquisition performance. Regression Model 4 is not significant, complicating the interpretation of the coefficients. Nonetheless, the results are as follows: the effect of increased age diversity on post-acquisition performance is negative and not significant. Similarly, the effect of increased gender diversity on post-acquisition performance is negative and not significant. In contrast, the effect of increased nationality diversity on post-acquisition performance is negative and significant. Given that Model 4 is not significant overall, Hypotheses 3d, 3e, and 3f are not supported.

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Tabel 6

*Mediation-effect on
MTB (N=2012)*

Variables	Model 1			Model 2			Model 3			Model 4		
	Age diversity (M1)			Gender diversity (M2)			Nationality diversity (M3)			Post acquisition performance (Y)		
	Coeff.	SE	P	Coeff.	SE	p	Coeff.	SE	p	Coeff.	SE	p
Board turnover	-0.026	0.022	.235	0.010	0.006	.095	-0.056	0.280	.040	0.171	0.102	.092
Age diversity										-0.086	0.0638	.176
Gender diversity										-0.133	0.154	.387
Nationality diversity										-0.060	0.027	.028
Mining	-0.027	0.037	.496	0.005	0.013	.692	0.106	0.078	.175	0.035	0.100	.729
Construction	-0.057	0.022	.009	-0.010	0.009	.267	-0.107	0.057	.060	-0.001	0.069	.987
Manufacturing	-0.017	0.024	.497	0.001	0.008	.849	-0.102	0.055	.062	0.027	0.078	.736
Transportation	-0.012	0.026	.646	0.001	0.010	.934	-0.028	0.072	.694	0.078	0.102	.442
Wholesale trade	-0.041	0.034	.224	0.001	0.013	.958	0.037	0.084	.661	-0.021	0.077	.781
Travel & entertainment	-0.077	0.024	.001	-0.008	0.010	.424	-0.103	0.062	.093	-0.029	0.079	.714
Other services	-0.086	0.034	.012	-0.005	0.014	.706	0.057	0.070	.401	0.091	0.136	.504
Public administration	-0.107	0.161	.505	-0.174	0.016	<.001	0.835	1.053	.428	0.211	0.555	.705
One-tier board	-0.029	0.017	.083	-0.024	0.006	<.001	-0.051	0.035	.138	-0.024	0.043	.580
Cross border deal	0.002	0.015	.920	0.002	0.006	.782	0.032	0.037	.386	0.020	0.053	.704
Industry relatedness	0.009	0.014	.542	0.002	0.006	.702	0.058	0.035	.095	-0.036	0.044	.416
CEO duality	<0.001	0.013	.952	-0.020	0.005	<.001	0.073	0.035	.037	0.051	0.047	.276
Board size	0.276	0.064	<.001	-0.004	0.016	.788	0.807	0.105	<.001	0.280	0.161	.082
Board experience	-0.031	0.028	.264	0.074	0.010	<.001	-0.013	0.058	.829	-0.1533	0.071	.030
Constant	0.082	0.028	.004	-0.057	0.009	<.001	0.239	0.057	<.001	-0.103	0.072	.152
	$R^2 = .037$ $F(15,1996) = 3.06, p < .001$			$R^2 = .060$ $F(515,1996) = 18.57, p < .001$			$R^2 = .058$ $F(15,1996) = 6.54, p < .001$			$R^2 = .022$ $F(18,1993) = 1.23, p = .226$		

Table 7

Comparison total, direct and indirect effects MTB

Effects		Effect	SE	p	95% CI	
					Min	Max
Total effect	c	0.18	0.103	.089	-.027	.377
Direct effect	c'	0.17	0.102	.092	-.028	.370
Indirect effects		Effect	SE ¹		Min ¹	Max ¹
Total	ab	0.004	0.004		-.003	.014
Age diversity	a1b1	0.002	0.002		-.003	.009
Gender diversity	a2b2	-0.001	0.002		-.006	.002
Nationality diversity	a3b3	0.003	0.002		-.001	.009

Table 7 presents a summary of the mediation analysis for MTB. The mediation effects were again not significant as the value 0 lies within the 95% confidence interval for all mediators (Preacher & Hayes, 2004). Therefore, it must be concluded that the potential mediators in this analysis do not exhibit a mediation effect on the relationship between turnover and MTB delta (Preacher & Hayes, 2004). Figure 5 presents a visual recap of the effects that were found in the first analysis. Furthermore table 8 presents all hypotheses, their expected effect, and the empirical conclusion.

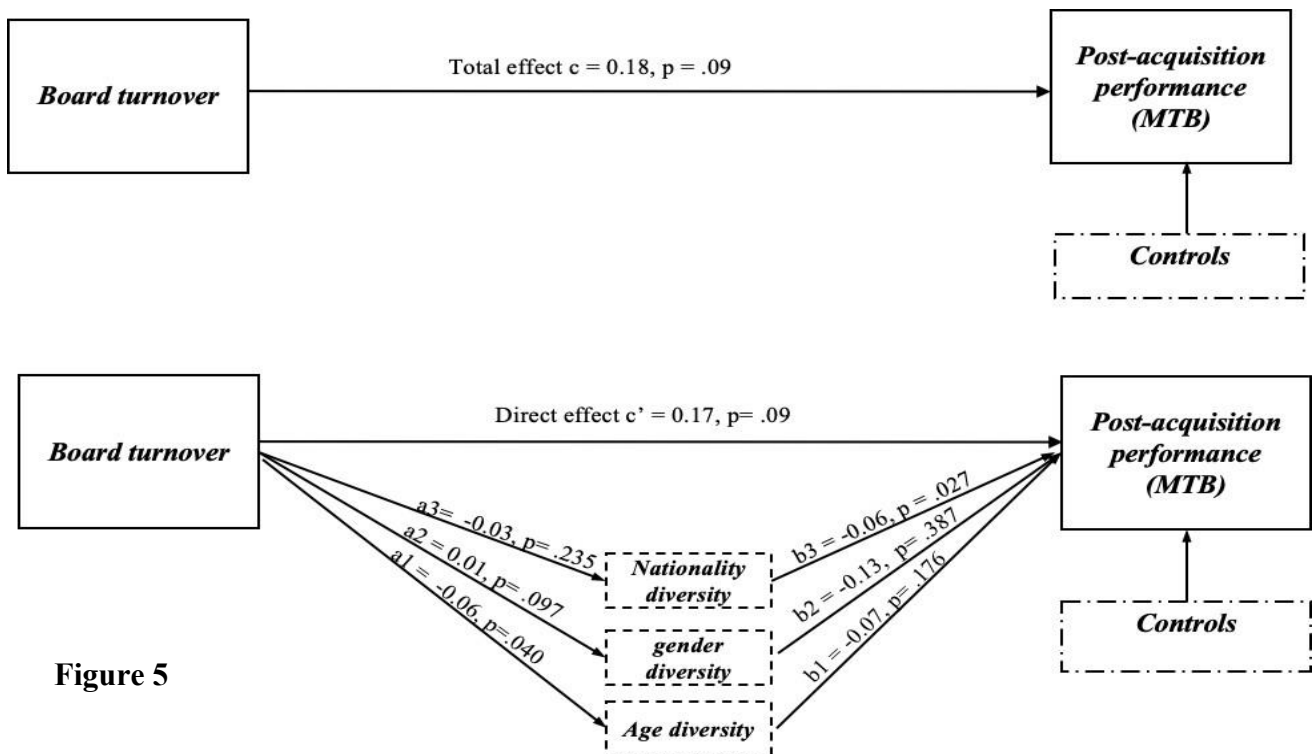


Figure 5

Table 8

Hypothesis	Expected effect	Emperical conclusion
H1a: There is a positive relationship between board turnover and post-acquisition performance (ROA)	+	Not significant
H1b: There is a positive relationship between board turnover and post-acquisition performance (MTB)	+	Not significant
H2a: Board turnover is positively related with age diversity on boards (ROA)	+	Not significant
H2b: Board turnover is positively related with gender diversity on boards (ROA)	+	Not significant
H2c: Board turnover is positively related with nationality diversity on boards (ROA)	+	Not significant
H2d: Board turnover is positively related with age diversity on boards (MTB)	+	—
H2e: Board turnover is positively related with gender diversity on boards (MTB)	+	Not significant
H2f: Board turnover is positively related with nationality diversity on boards (MTB)	+	Not significant
H3a: Age diversity in the board mediates the positive relationship between board turnover and post-acquisition performance (ROA)	+	Not significant
H3b: Gender diversity in the board mediates the positive relationship between board turnover and post-acquisition performance (ROA)	+	Not significant
H3c: Nationality diversity in the board mediates the positive relationship between board turnover and post-acquisition performance (ROA)	+	Not significant
H3d: Age diversity in the board mediates the positive relationship between board turnover and post-acquisition performance (MTB)	+	Not significant
H3e: Gender diversity in the board mediates the positive relationship between board turnover and post-acquisition performance (MTB)	+	Not significant
H3f: Nationality diversity in the board mediates the positive relationship between board turnover and post-acquisition performance (MTB)	+	Not significant

5.3 Robustness checks

To test the robustness of the results, a couple of robustness checks were conducted. The first check is already included in the mediation analyses because two different metrics are being used for post-acquisition performance. The fact that the results in both analyses are highly similar indicates robustness of the results. Secondly two sensitivity analyses were conducted by running the same analysis for the MTB and ROA, but with the outliers included. The sensitivity analysis for ROA and MTB models, including outliers, yield quite similar results but with some variations in strength of certain effects but no changes in significance. Both analyses have similar R-squared values, indicating comparable explanatory power. Overall, both regressions give quite similar results, with minor differences in specific coefficients and significance levels. Lastly two more robustness checks were done by dichotomizing the dependent variables ROA and MTB, categorizing negative scores as 0 (indicating a decline in post-acquisition performance) and positive scores as 1 (indicating improvement). Subsequently, the same logistic mediation analysis utilizing the PROCESS macro was performed for both the ROA (Appendix VI) and MTB (Appendix VII) models to validate the results. After dichotomizing the variables, some effects made remarkable shifts for the ROA- regression which are represented in model 4 in Appendix VI. The analysis with dichotomized ROA revealed a few changes in effects, represented in Model 4 (Appendix VI). The model is now significant at the $p < 0.01$ level and explains about 2,5% of the variance (Nagelkerke $R^2 = 0.025$). This model shows that turnover has a significant and negative effect on post-acquisition performance. The mediator, nationality diversity is also significant and negatively related to post-acquisition performance since model 4 is now, significant.

The last robustness check, which involved dichotomizing the dependent variables, revealed slightly different results compared to the initial analysis. This suggests that the findings are sensitive to the operationalization of the variables, indicating the need for further methodological considerations. Dichotomizing continuous variables can increase the risk of Type I errors, as it may create artificial groups that do not reflect the true underlying distribution (MacCallum et al., 2002). Consequently, this sensitivity slightly undermines the robustness of the study's conclusions. However, this discrepancy is understandable, as dichotomization simplifies the data and may overlook nuanced variations within the variables. Therefore, the observed differences highlight the importance of carefully considering how variables are measured and analyzed to ensure accurate and reliable conclusions.

6. Discussion

In this thesis I hypothesized that board turnover had a positive effect on post-acquisition performance and would increase board diversity, and that this effect was mediated by board diversity in terms of age-, gender-, and nationality diversity in the period of three years after the completion of an acquisition. These assumptions are based on the resource dependency theory (Pfeffer and Salancik 1978; Pfeffer 1977), which states that organizations are strategic actors that are dependent on their environment and the board of directors are viewed as resources or providers to resources (Haynes & Hillman, 2010). The conclusion of this research is that most hypotheses could not be confirmed nor rejected due to insignificant regression models, indicating that no relationship was present between board turnover and post-acquisition performance, nor was this effect mediated by board diversity.

6.1 Reflection on the results and suggestions for future research

The effect of board turnover on post-acquisition performance. Since board turnover was assumed to impact firm performance due to the refreshing and diverse perspectives new board members could bring (Pfeffer & Salancik, 2003; Hillman & Dalziel, 2003), it was expected that higher board turnover would improve post-acquisition performance by providing adaptability and countering inertia during the integration period (Heimeriks et al., 2012; Hitt et al., 2009). However, the results of this study indicate that board turnover does not significantly impact post-acquisition performance, as measured by both ROA and MTB. These findings challenge the notion that board turnover leads to enhanced firm performance (Aguilera et al., 2015; Merendino & Melville, 2019).

The lack of a significant relationship between board turnover and post-acquisition performance could be attributed to the complex and context-dependent nature of the acquisition process. While some studies have posited that new directors bring fresh perspectives and valuable resources (Pfeffer & Salancik, 2003; Hillman & Daziel, 2003), others using the resource-based view as theoretical lens suggest that the departure of directors with firm-specific knowledge can disrupt organizational continuity and erode valuable tacit knowledge (Krug & Aguilera, 2004a; Bergh, 2001). This disruption might denote any potential benefits from the infusion of new talent in the turbulent post-acquisition phase. Overall, these results suggest that the assumptions about the positive impacts of board turnover on firm performance in general need to be re-evaluated. Future research should consider the more nuanced roles that directors play

in firm-specific contexts and the potential trade-offs involved in board turnover during important corporate events such as mergers and acquisitions. Some key factors that influence firm performance during the post-acquisition period include cultural integration (Weber & Tarba, 2012), active involvement of shareholders (Renneboog & Vansteenkiste, 2019), effective communication (Birkinshaw, et al., 2000), and adequate resource allocation (Barkema & Schijven, 2008). Addressing these aspects in further research can provide a clearer understanding of the dynamics at play during post-acquisition integration and the impact of board turnover on firm performance.

The effect of board turnover on board diversity. The hypothesized effects of board turnover on board diversity were not consistently supported by the data. Specifically, turnover was not a significant predictor of age diversity or gender diversity or nationality diversity in the context of ROA, and similar non-significant results were observed for MTB. The relationship between turnover and nationality diversity was however significant but negative. Several factors may explain these findings. Existing board members often reappoint individuals with similar demographic characteristics and professional backgrounds, this phenomenon is also known as homosocial reproduction (Westphal & Zajac, 1995). Furthermore, organizational policies aimed at increasing diversity typically take time to implement, leading to a lag before changes are reflected in board composition (Kuppuswamy et al., 2020). Resistance to change from existing board members or stakeholders can also slow down diversification efforts (Torchia et al., 2011). Additionally, tokenism can undermine genuine diversity efforts by achieving minimal, symbolic diversity without substantive change (Kanter, 1997a). Thus, simply increasing board turnover is insufficient to enhance diversity. Future research should consider these structural and cultural barriers to board diversity.

The mediating effect of board diversity in the relationship between board turnover and post-acquisition performance. The lack of a significant relationship between board turnover and post-acquisition performance mediated by board diversity can be attributed to several nuanced factors. High turnover disrupts board continuity and cohesion, which according to other theories such as the resource-based view is essential for effective strategic decision-making. New members often require time to acclimate and understand the firm's dynamics, thus impeding immediate performance improvements (Huse, 2005). Structural barriers, such as entrenched networks and biases, tend to favor the selection of candidates who resemble current members, limiting genuine diversity despite increased turnover (Hillman et al., 2002). Moreover, diverse

boards, while theoretically beneficial, may face practical communication and integration challenges. These challenges can outweigh the potential benefits of varied perspectives if not managed effectively, leading to inefficiency (Milliken & Martins, 1996). The post-acquisition period is particularly turbulent, characterized by significant organizational changes and uncertainties, which can further strain the board's ability to function cohesively and leverage diversity for strategic gains (Zollo & Singh, 2004). During such periods, the immediate need for stability and unified decision-making might overshadow the long-term advantages of diversity. Additionally, the benefits of diversity, such as enhanced creativity and broader perspectives, can take time to materialize. The post-acquisition performance metrics for only three years after the completion, may not reflect these advantages yet, as the complexities of integrating new, diverse board members require time and effective management to create a cohesive working environment (Robinson & Dechant, 1997). These factors can collectively hinder the potential for a significant positive impact of board diversity on post-acquisition performance, even showing a significant negative effect from age diversity on post-acquisition performance. This suggests that the benefits of board diversity might be more long-term and subtle.

6.2 Theoretical and Practical Contributions

Despite the absence of statistically significant effects, this study contributes both theoretically and practically to corporate governance literature. This study makes a theoretical contribution to the resource dependency theory (Pfeffer & Salancik, 1978). Contrary to what was hypothesized, the results indicate no significant relationship between board turnover and post-acquisition performance. Furthermore, the mediation analysis of age, gender, and nationality diversity showed no significant effects, with one finding contradicting the hypothesis that board turnover positively impacts age diversity within the board. Resource dependency theory argues that board composition influences organizational outcomes by providing essential resources, diverse perspectives, and broader networks. However, the findings of this research challenge this view, suggesting that turnover and demographic characteristics of the board do not significantly affect post-acquisition performance. While previous research highlights the importance of demographic diversity through the lens of resource dependency theory (e.g., Reguera-Alvarado et al., 2015; Hosny en Elgharbawy, 2021; Haynes & Hillman, 2010; Johnson et al., 1996) our study did not find supporting evidence in the context of acquisitions. This calls into question the applicability of resource dependency theory in the context of post-acquisition

performance, but it does not exclude that board diversity could influence firm performance in general. In other words, this study contributed to the resource dependency theory by questioning its base premise, as the results of my research showed that board turnover and board diversity do not influence post-acquisition performance.

Practically this study offers insights for corporate practitioners and policymakers. It suggests that simply increasing board turnover or diversity may not directly improve post-acquisition performance. Instead, organizations should consider how these factors interact with other elements of board dynamics and organizational strategy.

6.3 Limitations and Future Research

Industry Relatedness Measurement: the use of Standard Industrial Classification (SIC) codes to measure industry relatedness is limited. SIC codes can be outdated and often fail to capture the finer nuances and dynamic changes within industries (Kahle & Walkling, 1996). They also may not reflect the true competitive and collaborative landscapes of modern industries. Future studies should explore alternative measures, such as the North American Industry Classification System (NAICS), or more sophisticated methods like text-based analysis of business descriptions (Hoberg & Phillips, 2010). This would provide a more accurate representation of industry relatedness and its impact on firm performance.

Nationality Diversity: The study did not account for the varying degrees of cultural and institutional differences between nations. This oversight could lead to an incomplete understanding of how nationality diversity affects board dynamics and firm performance. For example, cultural distance between board members from different countries can significantly influence communication and decision-making processes (Hofstede, 1980). Future research should incorporate measures of cultural distance, such as those based on Hofstede's cultural dimensions. Additionally, examining the impact of specific nationalities or regional groupings could provide more granular insights into how nationality diversity influences board performance.

Bootstrapping Methodology: While bootstrapping is a robust statistical technique, it does not address potential endogeneity issues that may bias the results. Endogeneity can arise from omitted variable bias, reverse causality, or measurement error, leading to incorrect inferences about causal relationships (Roberts & Whited, 2013). Employing methods such as instrumental

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

variables (IV) or generalized method of moments (GMM) can help address endogeneity concerns. Future research should also consider an 2SLS test.

Post-Acquisition Turbulence: The study did not account for the inherently turbulent nature of post-acquisition periods, which can overshadow the effects of board turnover and diversity. The integration process involves significant changes and challenges that can disrupt organizational performance, making it difficult to isolate the impact of board composition (Barkema & Schijven, 2008). Future studies should incorporate measures of post-acquisition integration success and turbulence, such as cultural compatibility assessments or integration strategy evaluations. Longitudinal studies tracking performance over extended periods post-acquisition could provide more nuanced insights into the long-term effects of board composition changes. By addressing these limitations, future research can provide a more comprehensive understanding of the complex dynamics between board turnover, diversity, and firm performance, particularly in the context of mergers and acquisitions.

7. Conclusion

The purpose of this study was to investigate the relationship between board turnover, board diversity (including age, gender, and nationality), and post-acquisition performance. Based on existing literature and the resource dependency theory, it was hypothesized that both board diversity and turnover would have a positive influence on firm performance, especially after acquisitions. This assumption stemmed from the belief that a diverse board brings a range of perspectives and expertise to decision-making processes, while turnover offers opportunities for fresh insights and adaptability. However, contrary to expectations, the empirical findings did not support these hypotheses. Despite the theoretical rationale, the study found no significant evidence to suggest that board turnover and diversity positively impact post-acquisition performance. This indicates that the relationship between board dynamics and post-acquisition outcomes may be more complex than initially thought. Further research is needed to better understand these dynamics and their implications for organizational success in acquisition contexts.

References

- Aalbers, R. (H. L.), McCarthy, K. J., & Heimeriks, K. H. (2021). Market reactions to acquisition announcements: The importance of signaling 'why' and 'where'. *Long Range Planning*, 54(6), 102105. <https://doi.org/10.1016/j.lrp.2021.102105>
- Adams, R. B., & Ferreira, D. (2009). Women in the boardroom and their impact on governance and performance. *Journal of Financial Economics*, 94(2), 291-309. <https://doi.org/10.1016/j.jfineco.2008.10.007>
- Ahern, K. R., & Dittmar, A. K. (2011). The Changing of the Boards: The Impact on Firm Valuation of Mandated Female Board Representation. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.1364470>
- Agrawal, A., & Jaffe, J. F. (2000). The post-merger performance puzzle. In *Advances in Mergers & Acquisitions* (Vol. 1, pp. 7-41). Emerald (MCB UP). [https://doi.org/10.1016/S1479-361X\(00\)01002-4](https://doi.org/10.1016/S1479-361X(00)01002-4)
- Aguilera, R. V., Desender, K., Bednar, M. K., & Lee, J. H. (2015). Connecting the Dots: Bringing External Corporate Governance into the Corporate Governance Puzzle. *Academy of Management Annals*, 9(1), 483-573. <https://doi.org/10.5465/19416520.2015.1024503>
- Akben-Selcuk, E., & Altioğlu-Yılmaz, A. (2017). Determinants of Corporate Cash Holdings: Firm Level Evidence from Emerging Markets. In Ü. Hacıoğlu, H. Dinçer, & N. Alayoğlu (Red.), *Global Business Strategies in Crisis* (pp. 417-428). Springer International Publishing. https://doi.org/10.1007/978-3-319-44591-5_28
- Akbulut, M. E., & Matsusaka, J. G. (2010). 50+ Years of Diversification Announcements. *Financial Review*, 45(2), 231-262. <https://doi.org/10.1111/j.1540-6288.2010.00245.x>
- Ali, M., Ng, Y. L., & Kulik, C. T. (2014). Board Age and Gender Diversity: A Test of Competing Linear and Curvilinear Predictions. *Journal of Business Ethics*, 125(3), 497-512. <https://doi.org/10.1007/s10551-013-1930-9>

- Amar, W. B., Boujenoui, A., & Francoeur, C. (2011). CEO Attributes, Board Composition, and Acquirer Value Creation: A Canadian Study: CEO ATTRIBUTES, BOARD COMPOSITION, AND ACQUIRER VALUE CREATION: A CANADIAN STUDY. *Canadian Journal of Administrative Sciences / Revue Canadienne Des Sciences de l'Administration*, 28(4), 480-492. <https://doi.org/10.1002/cjas.223>
- An, S. (2021). Nonprofit board turnover and financial performance: Examining optimal board turnover rate in United Way organizations. *Nonprofit Management and Leadership*, 32(1), 79-98. <https://doi.org/10.1002/nml.21461>
- Anderson, M., & Chun, D. How much board turnover is best? (2014). *Harvard Business Review*. <https://hbr.org/2014/04/how-much-board-turnover-is-best>
- Ararat, M., Aksu, M., & Tansel Cetin, A. (2015). How Board Diversity Affects Firm Performance in Emerging Markets: Evidence on Channels in Controlled Firms. *Corporate Governance: An International Review*, 23(2), 83-103. <https://doi.org/10.1111/corg.12103>
- Barkema, H. G., & Schijven, M. (2008). How Do Firms Learn to Make Acquisitions? A Review of Past Research and an Agenda for the Future. *Journal of Management*, 34(3), 594-634. <https://doi.org/10.1177/0149206308316968>
- Baron, R. M., & Kenny, D. A. (1986). The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173-1182. <https://doi.org/10.1037/0022-3514.51.6.1173>
- Bear, S., Rahman, N., & Post, C. (2010). The Impact of Board Diversity and Gender Composition on Corporate Social Responsibility and Firm Reputation. *Journal of Business Ethics*, 97(2), 207-221. <https://doi.org/10.1007/s10551-010-0505-2>
- Behlau, H., Wobst, J., & Lueg, R. (2024). Measuring board diversity: A systematic literature review of data sources, constructs, pitfalls, and suggestions for future research. *Corporate Social*

Bellavite Pellegrini, C., Sergi, B. S., & Sironi, E. (2016). The effect of the adoption of an alternative corporate governance system on firms' performances: The case of Italian unlisted SMEs. *Journal of Management Development*, 35(4), 517-529. <https://doi.org/10.1108/JMD-10-2015-0156>

Bellavite Pellegrini, C., & Sironi, E. (2017). Does a one-tier board affect firms' performances? Evidences from Italian unlisted enterprises. *Small Business Economics*, 48(1), 213-224. <https://doi.org/10.1007/s11187-016-9768-z>

Bennouri, M., De Amicis, C., & Falconieri, S. (2020). Welcome on board: A note on gender quotas regulation in Europe. *Economics Letters*, 190, 109055. <https://doi.org/10.1016/j.econlet.2020.109055>

Bergh, D. D. (2001). Executive retention and acquisition outcomes: A test of opposing views on the influence of organizational tenure. *Journal of Management*, 27(5), 603-622. <https://doi.org/10.1177/014920630102700506>

Bilgili, T. V., Calderon, C. J., Allen, D. G., & Kedia, B. L. (2017). Gone With the Wind: A Meta-Analytic Review of Executive Turnover, Its Antecedents, and Postacquisition Performance. *Journal of Management*, 43(6), 1966-1997. <https://doi.org/10.1177/0149206316635252>

Bin Khidmat, W., Ayub Khan, M., & Ullah, H. (2020). The Effect of Board Diversity on Firm Performance: Evidence from Chinese Listed Companies. *Indian Journal of Corporate Governance*, 13(1), 9-33. <https://doi.org/10.1177/0974686220923793>

Birkinshaw, J., Bresman, H., & Håkanson, L. (2000). Managing the Post-acquisition Integration Process: How the Human Integration and Task Integration Processes Interact to Foster Value Creation. *Journal of Management Studies*, 37(3), 395-425. <https://doi.org/10.1111/1467-6486.00186>

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

- Boone, C., Lokshin, B., Guenter, H., & Belderbos, R. (2018). Top management team nationality diversity, corporate entrepreneurship, and innovation in multinational firms. *Strategic Management Journal*, 40(2), 277–302. <https://doi.org/10.1002/smj.2976>
- Boyd, B. (1990). Corporate linkages and organizational environment: A test of the resource dependence model. *Strategic Management Journal*, 11(6), 419–430. <https://doi.org/10.1002/smj.4250110602>
- Bryzgalova, S., Lerner, S., Lettau, M., & Pelger, M. (2022). Missing Financial Data. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.4106794>
- Campbell, K., & Mínguez-Vera, A. (2008). Gender Diversity in the Boardroom and Firm Financial Performance. *Journal of Business Ethics*, 83(3), 435-451. <https://doi.org/10.1007/s10551-007-9630-y>
- Cao, J., Ellis, K. M., & Li, M. (2019). Inside the board room: The influence of nationality and cultural diversity on cross-border merger and acquisition outcomes. *Review of Quantitative Finance and Accounting*, 53(4), 1031-1068. <https://doi.org/10.1007/s11156-018-0774-x>
- Carter, D. A., D'Souza, F., Simkins, B. J., & Simpson, W. G. (2010). The Gender and Ethnic Diversity of US Boards and Board Committees and Firm Financial Performance. *Corporate Governance: An International Review*, 18(5), 396-414. <https://doi.org/10.1111/j.1467-8683.2010.00809.x>
- Carter, D. A., Simkins, B. J., & Simpson, W. G. (2003). Corporate Governance, Board Diversity, and Firm Value. *Financial Review*, 38(1), 33-53. <https://doi.org/10.1111/1540-6288.00034>
- Cartwright, S., & Schoenberg, R. (2006). Thirty Years of Mergers and Acquisitions Research: Recent Advances and Future Opportunities. *British Journal of Management*, 17(S1). <https://doi.org/10.1111/j.1467-8551.2006.00475.x>

- Cefis, E., Marsili, O., & Rigamonti, D. (2020). In and Out of Balance: Industry Relatedness, Learning Capabilities and Post-Acquisition Innovative Performance. *Journal of Management Studies*, 57(2), 210-245. <https://doi.org/10.1111/joms.12441>
- Chapple, L., & Humphrey, J. E. (2014). Does Board Gender Diversity Have a Financial Impact? Evidence Using Stock Portfolio Performance. *Journal of Business Ethics*, 122(4), 709-723. <https://doi.org/10.1007/s10551-013-1785-0>
- Chatterjee, S. (1986). Types of synergy and economic value: The impact of acquisitions on merging and rival firms. *Strategic Management Journal*, 7(2), 119-139. <https://doi.org/10.1002/smj.4250070203>
- Chen, G., Crossland, C., & Huang, S. (2016). Female board representation and corporate acquisition intensity: Female Board Representation and M&A. *Strategic Management Journal*, 37(2), 303-313. <https://doi.org/10.1002/smj.2323>
- Chen, D.-N., & Liang, T.-P. (2016). Knowledge diversity and firm performance: An ecological view. *Journal of Knowledge Management*, 20(4), 671-686. <https://doi.org/10.1108/JKM-10-2015-0377>
- Cho, T. S., & Shen, W. (2007a). Changes in executive compensation following an environmental shift: The role of top management team turnover. *Strategic Management Journal*, 28(7), 747-754. <https://doi.org/10.1002/smj.600>
- Ciavarella, A. (2017). Board Diversity and Firm Performance Across Europe. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3084114>
- Cui, H., & Chi-Moon Leung, S. (2020). The long-run performance of acquiring firms in mergers and acquisitions: Does managerial ability matter? *Journal of Contemporary Accounting & Economics*, 16(1), 100185. <https://doi.org/10.1016/j.jcae.2020.100185>
- Dah, B. A., Dah, M. A., & Frye, M. B. (2024). Board Refreshment: Like a Breath of Fresh Air. *British Journal of Management*, 35(1), 378-401. <https://doi.org/10.1111/1467-8551.12718>

- Darmadi, S. (2011). Board diversity and firm performance: The Indonesian evidence. *Corporate Ownership and Control*, 8(2), 450-466. <https://doi.org/10.22495/cocv8i2c4p4>
- Defrancq, C., Huyghebaert, N., & Luypaert, M. (2021). Influence of acquirer boards on M&A value creation: Evidence from Continental Europe. *Journal of International Financial Management & Accounting*, 32(1), 21-62. <https://doi.org/10.1111/jifm.12124>
- Dewally, M., & Peck, S. W. (2010). Upheaval in the boardroom: Outside director public resignations, motivations, and consequences. *Journal of Corporate Finance*, 16(1), 38-52. <https://doi.org/10.1016/j.jcorpfin.2009.02.002>
- Dezső, C. L., & Ross, D. G. (2012). Does female representation in top management improve firm performance? A panel data investigation. *Strategic Management Journal*, 33(9), 1072-1089. <https://doi.org/10.1002/smj.1955>
- Ding, S., Du, M., Cui, T., Zhang, Y., & Duygun, M. (2024). Impact of board diversity on Chinese firms' cross-border M&A performance: An artificial intelligence approach. *International Review of Economics & Finance*, 92, 1321-1335. <https://doi.org/10.1016/j.iref.2024.02.077>
- Directive - 2022/2381 - EN - EUR-LEX. (z.d.). <https://eur-lex.europa.eu/eli/dir/2022/2381/oj>
- Egon Zehnder. (2017). 2016 Global Board Diversity Analysis. Retrieved from https://30percentclub.org/assets/uploads/UK/Third_Party_Reports/2016_GBDA_DIGITAL_FINAL.pdf
- Eisenberg, T., Sundgren, S., & Wells, M. T. (1998). Larger board size and decreasing firm value in small firms. *Journal of Financial Economics*, 48(1), 35-54. [https://doi.org/10.1016/S0304-405X\(98\)00003-8](https://doi.org/10.1016/S0304-405X(98)00003-8)
- Ellis, K. M., & Lamont, B. T. (2004). "IDEAL" ACQUISITION INTEGRATION APPROACHES IN RELATED ACQUISITIONS OF EQUALS: A TEST OF LONG-HELD BELIEFS. In *Advances in Mergers & Acquisitions* (Vol. 3, pp. 81-102). Emerald (MCB UP). [https://doi.org/10.1016/S1479-361X\(04\)03004-2](https://doi.org/10.1016/S1479-361X(04)03004-2)

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

- Engelen, P.-J., Van Den Berg, A., & Van Der Laan, G. (2012). Board Diversity as a Shield During the Financial Crisis. In S. Boubaker, B. D. Nguyen, & D. K. Nguyen (Red.), *Corporate Governance* (pp. 259-285). Springer Berlin Heidelberg. https://doi.org/10.1007/978-3-642-31579-4_11
- Erhardt, N. L., Werbel, J. D., & Shrader, C. B. (2003a). Board of Director Diversity and Firm Financial Performance. *Corporate Governance: An International Review*, 11(2), 102-111. <https://doi.org/10.1111/1467-8683.00011>
- Estélyi, K. S., & Nisar, T. M. (2016). Diverse boards: Why do firms get foreign nationals on their boards? *Journal Of Corporate Finance*, 39, 174–192. <https://doi.org/10.1016/j.jcorpfin.2016.02.006>
- European Commission. Directorate General for Economic and Financial Affairs. (2018). *The 2018 ageing report: Economic & budgetary projections for the 28 EU Member States (2016 2070)*. Publications Office. <https://data.europa.eu/doi/10.2765/615631>
- European Union. (2023). Progress in gender equality. https://eige.europa.eu/modules/custom/eige_gei/app/content/downloads/factsheets/EU_2023_factsheet.pdf
- Faleye, O., Hoitash, R., & Hoitash, U. (2012). Advisory Directors. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.1866166>
- Fernandes, N. (2019). *The value killers: How mergers and acquisitions cost companies billions – and how to prevent it*. Palgrave Macmillan. <https://doi.org/10.1007/978-3-03012216-4>
- Fernández-Temprano, M. A., & Tejerina-Gaite, F. (2020). Types of director, board diversity and firm performance. *Corporate Governance: The International Journal of Business in Society*, 20(2), 324-342. <https://doi.org/10.1108/CG-03-2019-0096>
- Field, A. P. (2013). *Discovering statistics using IBM SPSS statistics: And sex and drugs and rock 'n' roll* (4th edition). Sage.

- Francesca, G. (2018). Gender balance on boards and corporate sustainability for the 2030 Agenda. *African Journal of Business Management*, 12(11), 343-356. <https://doi.org/10.5897/AJBM2018.8553>
- Frankel, J. (2000). *Globalization of the Economy*. <https://doi.org/10.3386/w7858>
- Furtado, E. P. H., & Karan, V. (1990). Causes, Consequences, and Shareholder Wealth Effects of Management Turnover: A Review of the Empirical Evidence. *Financial Management*, 19(2), 60. <https://doi.org/10.2307/3665635>
- Gaio, L. E., Lucas, A. C., Poker, J. H., Junior, & Belli, M. M. (2024). Gender diversity in management and corporate financial performance: A systematic literature review. *Corporate Social-responsibility And Environmental Management*. <https://doi.org/10.1002/csr.2793>
- Gardiner, E. (2024). What's age got to do with it? The effect of board member age diversity: a systematic review. *Management Review Quarterly*, 74(1), 65-92. <https://doi.org/10.1007/s11301-022-00294-5>
- Graebner, M. E., Heimeriks, K. H., Huy, Q. N., & Vaara, E. (2017). The Process of Postmerger Integration: A Review and Agenda for Future Research. *Academy of Management Annals*, 11(1), 1-32. <https://doi.org/10.5465/annals.2014.0078>
- Green, C. P., & Homroy, S. (2018). Female directors, board committees and firm performance. *European Economic Review*, 102, 19-38. <https://doi.org/10.1016/j.euroecorev.2017.12.003>
- Gupta, A. K., & Govindarajan, V. (2002). Cultivating a global mindset. *Academy of Management Perspectives*, 16(1), 116-126. <https://doi.org/10.5465/ame.2002.6640211>
- Grund, C., & Westergaard-Nielsen, N. (2008). Age structure of the workforce and firm performance. *International Journal of Manpower*, 29(5), 410-422. <https://doi.org/10.1108/01437720810888553>
- Harjoto, M., Laksmana, I., & Lee, R. (2015). Board Diversity and Corporate Social Responsibility. *Journal of Business Ethics*, 132(4), 641-660. <https://doi.org/10.1007/s10551-014-2343-0>

- Haynes, K. T., & Hillman, A. J. (2010). The effect of board capital and CEO power on strategic change. *Strategic Management Journal*, 31(11), 1145–1163. <https://doi.org/10.1002/smj.859>
- Hayes, A. F., & Cai, L. (2007). Using heteroskedasticity-consistent standard error estimators in OLS regression: An introduction and software implementation. *Behavior Research Methods*, 39(4), 709-722. <https://doi.org/10.3758/BF03192961>
- Hayes, A. F. (2022). *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach* (Third edition). The Guilford Press.
- He, J., & Wang, H. C. (2009). Innovative Knowledge Assets and Economic Performance: The Asymmetric Roles of Incentives and Monitoring. *Academy of Management Journal*, 52(5), 919-938. <https://doi.org/10.5465/amj.2009.44633414>
- Heimeriks, K. H., Schijven, M., & Gates, S. (2012). Manifestations of Higher-Order Routines: The Underlying Mechanisms of Deliberate Learning in the Context of Postacquisition Integration. *Academy of Management Journal*, 55(3), 703-726. <https://doi.org/10.5465/amj.2009.0572>
- Hillman, A. J., Cannella, A. A., & Paetzold, R. L. (2000). The Resource Dependence Role of Corporate Directors: Strategic Adaptation of Board Composition in Response to Environmental Change. *Journal of Management Studies*, 37(2), 235-256. <https://doi.org/10.1111/1467-6486.00179>
- Hillman, A. J., Cannella, A. A., & Harris, I. C. (2002). Women and Racial Minorities in the Boardroom: How Do Directors Differ? *Journal of Management*, 28(6), 747-763. <https://doi.org/10.1177/014920630202800603>
- Hillman, A. J., & Dalziel, T. (2003). Boards of Directors and Firm Performance: Integrating Agency and Resource Dependence Perspectives. *The Academy Of Management Review*, 28(3), 383. <https://doi.org/10.2307/30040728>
- Hillman, A. J., Withers, M. C., & Collins, B. J. (2009). Resource Dependence Theory: A Review. *Journal of Management*, 35(6), 1404-1427. <https://doi.org/10.1177/0149206309343469>

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

- Hitt, M. A., King, D., Krishnan, H., Makri, M., Schijven, M., Shimizu, K., & Zhu, H. (2009). Mergers and acquisitions: Overcoming pitfalls, building synergy, and creating value. *Business Horizons*, 52(6), 523-529. <https://doi.org/10.1016/j.bushor.2009.06.008>
- Hoberg, G., & Phillips, G. (2010). Product Market Synergies and Competition in Mergers and Acquisitions: A Text-Based Analysis. *Review of Financial Studies*, 23(10), 3773-3811. <https://doi.org/10.1093/rfs/hhq053>
- Hofstede, G. H. (1984). *Culture's consequences: International differences in work-related values* (Abridged ed). Sage Publications.
- Hosny, K., & Elgharbawy, A. (2021). Board diversity and financial performance: empirical evidence from the United Kingdom. *Accounting Research Journal*, 35(4), 561–580. <https://doi.org/10.1108/arj-02-2020-0037>
- Holland, W., & Salama, A. (2010). Organisational learning through international M&A integration strategies. *The Learning Organization*, 17(3), 268-283. <https://doi.org/10.1108/09696471011034946>
- Howton, S. W. (2006). Effect of Governance Characteristics on the State of the Firm after an Initial Public Offering. *Financial Review*, 41(3), 419-433. <https://doi.org/10.1111/j.1540-6288.2006.00150.x>
- Huse, M. (2005). Accountability and Creating Accountability: A Framework for Exploring Behavioural Perspectives of Corporate Governance. *British Journal of Management*, 16(s1). <https://doi.org/10.1111/j.1467-8551.2005.00448.x>
- Jackling, B., & Johl, S. (2009). Board Structure and Firm Performance: Evidence from India's Top Companies. *Corporate Governance: An International Review*, 17(4), 492-509. <https://doi.org/10.1111/j.1467-8683.2009.00760.x>

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

- Jackson, S. E., Joshi, A., & Erhardt, N. L. (2003). Recent Research on Team and Organizational Diversity: SWOT Analysis and Implications. *Journal of Management*, 29(6), 801-830. https://doi.org/10.1016/S0149-2063_03_00080-1
- Jamali, D., Safieddine, A., & Daouk, M. (2007). Corporate governance and women: An empirical study of top and middle women managers in the Lebanese banking sector. *Corporate Governance: The International Journal of Business in Society*, 7(5), 574-585. <https://doi.org/10.1108/14720700710827167>
- Janis, I. L. (1972). Victims of groupthink: A psychological study of foreign-policy decisions and fiascoes. Houghton Mifflin.
- Jeong, N. (2021). Diversity management and postmergers and acquisitions performance. *Management Decision*, 59(10), 2369-2384. <https://doi.org/10.1108/MD-05-2020-0635>
- Johnson, J. L., Daily, C. M., & Ellstrand, A. E. (1996). Boards of Directors: A Review and Research Agenda. *Journal of Management*, 22(3), 409-438. <https://doi.org/10.1177/014920639602200303>
- Kaczmarek, S., Kimino, S., & Pye, A. (2012). Antecedents of Board Composition: The Role of Nomination Committees. *Corporate Governance: An International Review*, 20(5), 474-489. <https://doi.org/10.1111/j.1467-8683.2012.00913.x>
- Kang, H., Cheng, M., & Gray, S. J. (2007). Corporate Governance and Board Composition: Diversity and independence of Australian boards. *Corporate Governance: An International Review*, 15(2), 194-207. <https://doi.org/10.1111/j.1467-8683.2007.00554.x>
- Kahle, K. M., & Walkling, R. A. (1996). The Impact of Industry Classifications on Financial Research. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.40169>
- Kanter, R. M. (1977a). *Men and Women of the Corporation: (New Edition)*. Basic Books.
- Kenny, G. (2020, march). Don't make this common M&A mistake. *Harvard Business Review*. <https://hbr.org/2020/03/dont-make-this-common-ma-mistake>

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

- Khatib, S. F. A., Abdullah, D. F., Elamer, A. A., & Abueid, R. (2020). Nudging toward diversity in the boardroom: A systematic literature review of board diversity of financial institutions. *Business Strategy And The Environment*, 30(2), 985–1002. <https://doi.org/10.1002/bse.2665>
- Kim, H., & Lim, C. (2010). Diversity, outside directors and firm valuation: Korean evidence. *Journal of Business Research*, 63(3), 284-291. <https://doi.org/10.1016/j.jbusres.2009.01.013>
- Kipkirong Tarus, D., & Aime, F. (2014). Board demographic diversity, firm performance and strategic change: A test of moderation. *Management Research Review*, 37(12), 1110-1136. <https://doi.org/10.1108/MRR-03-2013-0056>
- Kogut, B. M. (Ed.). (2012). *The small worlds of corporate governance*. MIT Press.
- Krause, R., Semadeni, M., & Cannella, A. A. (2014). CEO Duality: A Review and Research Agenda. *Journal of Management*, 40(1), 256-286. <https://doi.org/10.1177/0149206313503013>
- Krebs, C. J. (1989). *Ecological methodology*. Harper & Row.
- Kroll, M., Walters, B. A., & Wright, P. (2008). Board vigilance, director experience, and corporate outcomes. *Strategic Management Journal*, 29(4), 363-382. <https://doi.org/10.1002/smj.649>
- Krug, J. A. (2003b). Executive turnover in acquired firms: An analysis of resource-based theory and the upper echelons perspective]. *Journal of Management and Governance*, 7(2), 117-143. <https://doi.org/10.1023/A:1023607012229>
- Krug, J. A., & Aguilera, R. V. (2004a). TOP MANAGEMENT TEAM TURNOVER IN MERGERS & ACQUISITIONS. In *Advances in Mergers & Acquisitions* (Vol. 4, pp. 121-149). Emerald (MCB UP). [https://doi.org/10.1016/S1479-361X\(04\)04005-0](https://doi.org/10.1016/S1479-361X(04)04005-0)
- Krug, J. A., & Hegarty, W. H. (1997). Postacquisition turnover among U.S. top management teams: An analysis of the effects of foreign vs. domestic acquisition of U.S. targets. *Strategic Management Journal*, 18(8), 667– 675.

- Krug, J. A., Wright, P., & Kroll, M. J. (2014). Top Management Turnover Following Mergers and Acquisitions: Solid Research to Date but Still Much to Be Learned. *Academy of Management Perspectives*, 28(2), 147-163. <https://doi.org/10.5465/amp.2011.0091>
- Kuppuswamy, V., Anand, R., & Aguilera, R. V. (2020). Symbolic Management in Emerging Markets: The Case of Board Diversity. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3764169>
- Larmou, S., & Vafeas, N. (2010). The relation between board size and firm performance in firms with a history of poor operating performance. *Journal of Management & Governance*, 14(1), 61-85. <https://doi.org/10.1007/s10997-009-9091-z>
- Leshchinskii, D., & Zollo, M. (2004). Can Firms Learn to Acquire? The Impact of Post-Acquisition Decisions and Learning on Long-Term Abnormal Returns. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.590704>
- Lewis, Y., & Bozos, K. (2019). Mitigating post-acquisition risk: The interplay of cross-border uncertainties. *Journal of World Business*, 54(5), 100996. <https://doi.org/10.1016/j.jwb.2019.100996>
- Lim, J., Makhija, A. K., & Shenkar, O. (2016). The asymmetric relationship between national cultural distance and target premiums in cross-border M&A. *Journal of Corporate Finance*, 41, 542-571. <https://doi.org/10.1016/j.jcorpfin.2016.07.007>
- Liu, Y., & Wang, Y. (2013). Performance of Mergers and Acquisitions under Corporate Governance Perspective. *Open Journal of Social Sciences*, 01(07), 17-25. <https://doi.org/10.4236/jss.2013.17004>
- Lu, X., & White, H. (2014). Robustness checks and robustness tests in applied economics. *Journal of Econometrics*, 178, 194-206. <https://doi.org/10.1016/j.jeconom.2013.08.016>
- Lückerath-Rovers, M. (2013). Women on boards and firm performance. *Journal of Management & Governance*, 17(2), 491-509. <https://doi.org/10.1007/s10997-011-9186-1>

- MacCallum, R. C., Zhang, S., Preacher, K. J., & Rucker, D. D. (2002). On the practice of dichotomization of quantitative variables. *Psychological Methods*, 7(1), 19-40. <https://doi.org/10.1037/1082-989X.7.1.19>
- Mahadeo, J. D., Soobaroyen, T., & Hanuman, V. O. (2012). Board Composition and Financial Performance: Uncovering the Effects of Diversity in an Emerging Economy. *Journal of Business Ethics*, 105(3), 375-388. <https://doi.org/10.1007/s10551-011-0973-z>
- Malik, M. F., Anuar, M. A., Khan, S., & Khan, F. (2014). Mergers and Acquisitions: A Conceptual Review. *International Journal of Accounting and Financial Reporting*, 1(1), 520. <https://doi.org/10.5296/ijaf.v4i2.6623>
- Marois, G., Bélanger, A., & Lutz, W. (2020). Population aging, migration, and productivity in Europe. *Proceedings of the National Academy of Sciences*, 117(14), 7690-7695. <https://doi.org/10.1073/pnas.1918988117>
- Masulis, R. W., Wang, C., & Xie, F. (2005). Corporate Governance and Acquirer Returns. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.697501>
- Masulis, R. W., Wang, C., & Xie, F. (2012). Globalizing the boardroom—The effects of foreign directors on corporate governance and firm performance. *Journal Of Accounting & Economics/Journal Of Accounting And Economics*, 53(3), 527–554. <https://doi.org/10.1016/j.jacceco.2011.12.003>
- Maznevski, M. L. (1994). Understanding Our Differences: Performance in Decision-Making Groups with Diverse Members. *Human Relations*, 47(5), 531-552. <https://doi.org/10.1177/001872679404700504>
- Merendino, A., & Melville, R. (2019). The board of directors and firm performance: Empirical evidence from listed companies. *Corporate Governance: The International Journal of Business in Society*, 19(3), 508-551. <https://doi.org/10.1108/CG-06-2018-0211>

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

- Mi Choi, H., Sul, W., & Kee Min, S. (2012). Foreign board membership and firm value in Korea. *Management Decision*, 50(2), 207-233. <https://doi.org/10.1108/00251741211203533>
- Midavaine, J., Dolfsma, W., & Aalbers, R. (2016). Board diversity and R & D investment. *Management Decision*, 54(3), 558-569. <https://doi.org/10.1108/MD-09-2014-0574>
- Miller, D. J. (2006). Technological diversity, related diversification, and firm performance. *Strategic Management Journal*, 27(7), 601-619. <https://doi.org/10.1002/smj.533>
- Milliken, F. J., & Martins, L. L. (1996). Searching for Common Threads: Understanding the Multiple Effects of Diversity in Organizational Groups. *The Academy of Management Review*, 21(2), 402. <https://doi.org/10.2307/258667>
- Moeller, S. B., Schlingemann, F. P., & Stulz, R. M. (2004). Firm size and the gains from acquisitions. *Journal of Financial Economics*, 73(2), 201-228. <https://doi.org/10.1016/j.jfineco.2003.07.002>
- Moeller, S., & Schlingemann, F. (2005). Global diversification and bidder gains: A comparison between cross-border and domestic acquisitions. *Journal of Banking & Finance*, 29(3), 533-564. [https://doi.org/10.1016/S0378-4266\(04\)00047-0](https://doi.org/10.1016/S0378-4266(04)00047-0)
- Morck, R., Shleifer, A., & Vishny, R. W. (1990). Do Managerial Objectives Drive Bad Acquisitions? *The Journal of Finance*, 45(1), 31-48. <https://doi.org/10.1111/j.1540-6261.1990.tb05079.x>
- Nguyen, B. D., & Nielsen, K. M. (2010). The value of independent directors: Evidence from sudden deaths☆. *Journal of Financial Economics*, 98(3), 550-567. <https://doi.org/10.1016/j.jfineco.2010.07.004>
- Nili, Yaron and Rosenblum, Darren, Board Diversity by Term Limits? (March 15, 2019). 71 Alabama Law Review 211 (2019), Univ. of Wisconsin Legal Studies Research Paper No. 1467, Available at SSRN: <https://ssrn.com/abstract=3353493>
- Nielsen, B. B., & Nielsen, S. (2013). Top management team nationality diversity and firm performance: A multilevel study. *Strategic Management Journal*, 34(3), 373-382. <https://doi.org/10.1002/smj.2021>

- Oxelheim, L., Gregorič, A., Randøy, T., & Thomsen, S. (2013). On the internationalization of corporate boards: The case of Nordic firms. *Journal of International Business Studies*, 44(3), 173-194. <https://doi.org/10.1057/jibs.2013.3>
- Pfeffer, J. (1977). The Ambiguity of Leadership. *The Academy of Management Review*, 2(1), 104. <https://doi.org/10.2307/257611>
- Pfeffer, J., & Salancik, G. R. 1978. *The external control of organizations: A resource dependence perspective*. New York: Harper & Row.
- Pfeffer, J., & Salancik, G. R. (2003). *The external control of organizations: A resource dependence perspective*. Stanford Business Books.
- Piesse, J., Lee, C.-F., Lin, L., & Kuo, H.-C. (2022). Merger and Acquisition: Definitions, Motives, and Market Responses. In C.-F. Lee & A. C. Lee (Red.), *Encyclopedia of Finance* (pp. 877-894). Springer International Publishing. https://doi.org/10.1007/978-3-030-91231-4_28
- Post, C., & Byron, K. (2015). Women on Boards and Firm Financial Performance: A Meta-Analysis. *Academy of Management Journal*, 58(5), 1546-1571. <https://doi.org/10.5465/amj.2013.0319>
- Marinova, J., Plantenga, J., & Remery, C. (2016). Gender diversity and firm performance: Evidence from Dutch and Danish boardrooms. *The International Journal of Human Resource Management*, 27(15), 1777-1790. <https://doi.org/10.1080/09585192.2015.1079229>
- Preacher, K. J., & Hayes, A. F. (2004). SPSS and SAS procedures for estimating indirect effects in simple mediation models. *Behavior Research Methods, Instruments, & Computers*, 36(4), 717-731. <https://doi.org/10.3758/BF03206553>
- Pruitt, D. G. (1981). *Negotiation behavior*. Academic Press.
- Qiang, W., Wong, S., Koh, K., & Tong, Y. H. (2023a). Does board turnover enhance firm performance? A contingency approach. *Corporate Governance: An International Review*, 31(3), 405-424. <https://doi.org/10.1111/corg.12455>

- Rabier, M. R. (2017). Acquisition Motives and the Distribution of Acquisition Performance. *Strategic Management Journal*, 38(13), 2666-2681. <https://doi.org/10.1002/smj.2686>
- Randøy, T.; S. Thomsen. And L. Oxelheim (2006), A Nordic perspective on corporate board diversity, Nordic Innovation Centre, Norway.
- Rastad, M., & Dobson, J. (2022). Gender diversity on corporate boards: Evaluating the effectiveness of shareholder activism. *The Quarterly Review Of Economics And Finance*, 84, 446–461. <https://doi.org/10.1016/j.qref.2020.09.007>
- Reguera-Alvarado, N., De Fuentes, P., & Laffarga, J. (2015). Does Board Gender Diversity Influence Financial Performance? Evidence from Spain. *Journal Of Business Ethics*, 141(2), 337–350. <https://doi.org/10.1007/s10551-015-2735-9>
- Renneboog, L., & Vansteenkiste, C. (2019). Failure and Success in Mergers and Acquisitions. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3434256>
- Roberts, M. R., & Whited, T. M. (2013). Endogeneity in Empirical Corporate Finance1. In *Handbook of the Economics of Finance* (Vol. 2, pp. 493-572). Elsevier. <https://doi.org/10.1016/B978-0-44-453594-8.00007-0>
- Robinson, G., & Dechant, K. (1997). Building a business case for diversity. *Academy of Management Perspectives*, 11(3), 21-31. <https://doi.org/10.5465/ame.1997.9709231661>
- Schweizer, L., Wang, L., Koscher, E., & Michaelis, B. (2022). Experiential learning, M&A performance, and post-acquisition integration strategy: A meta-analysis. *Long Range Planning*, 55(6), 102212. <https://doi.org/10.1016/j.lrp.2022.102212>
- Seierstad, C., & Opsahl, T. (2011). For the few not the many? The effects of affirmative action on presence, prominence, and social capital of women directors in Norway. *Scandinavian Journal of Management*, 27(1), 44-54. <https://doi.org/10.1016/j.scaman.2010.10.002>

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

- Seth, A., Song, K. P., & Pettit, R. R. (2002). Value creation and destruction in cross-border acquisitions: An empirical analysis of foreign acquisitions of U.S. firms. *Strategic Management Journal*, 23(10), 921-940. <https://doi.org/10.1002/smj.264>
- Singh, A. (1971). *Take-overs: Their relevance to the stock market and the theory of the firm*. University Press.
- Smith, N., Smith, V., & Verner, M. (2006). Do women in top management affect firm performance? A panel study of 2,500 Danish firms. *International Journal of Productivity and Performance Management*, 55(7), 569-593. <https://doi.org/10.1108/17410400610702160>
- Spellerberg, I. F., & Fedor, P. J. (2003). A tribute to Claude Shannon (1916–2001) and a plea for more rigorous use of species richness, species diversity and the ‘Shannon–Wiener’ Index. *Global Ecology and Biogeography*, 12(3), 177-179. <https://doi.org/10.1046/j.1466-822X.2003.00015.x>
- Spence, M. (1973). Job Market Signaling. *The Quarterly Journal of Economics*, 87(3), 355. <https://doi.org/10.2307/1882010>
- Srinivasan, S. (2005). Consequences of Financial Reporting Failure for Outside Directors: Evidence from Accounting Restatements and Audit Committee Members. *Journal of Accounting Research*, 43(2), 291-334. <https://doi.org/10.1111/j.1475-679x.2005.00172.x>
- Suryaningrum, D. H., Abdul Rahman, A. A., Meero, A., & Cakranegara, P. A. (2023). Mergers and acquisitions: Does performance depend on managerial ability? *Journal of Innovation and Entrepreneurship*, 12(1), 30. <https://doi.org/10.1186/s13731-023-00296-x>
- Syakhroza, S., Diyanty, A., V. and Dewo, S.A. (2021), "Top management team (TMT) age diversity and firm performance: the moderating role of the effectiveness of TMT meetings", *Team Performance Management*, 27 (5/6), 486-503. <https://doi.org/10.1108/TPM-01-2021-0006>
- Tabachnick, B. G., & Fidell, L. S. (2019). *Using multivariate statistics* (Seventh edition). Pearson

- Talavera, O., Yin, S., & Zhang, M. (2018). Age diversity, directors' personal values, and bank performance. *International Review of Financial Analysis*, 55, 60-79. <https://doi.org/10.1016/j.irfa.2017.10.007>
- Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, 18(7), 509-533. [https://doi.org/10.1002/\(SICI\)1097-0266\(199708\)18:7<509::AID-SMJ882>3.0.CO;2-Z](https://doi.org/10.1002/(SICI)1097-0266(199708)18:7<509::AID-SMJ882>3.0.CO;2-Z)
- Texts adopted - Gender aspects of the economic downturn and financial crisis - Thursday, 17 June 2010. (z.d.). © European Union, 2010 - Source: European Parliament. https://www.europarl.europa.eu/doceo/document/TA-7-2010-0231_EN.html
- Thabane, L., Mbuagbaw, L., Zhang, S., Samaan, Z., Marcucci, M., Ye, C., Thabane, M., Giangregorio, L., Dennis, B., Kosa, D., Debono, V. B., Dillenburg, R., Fruci, V., Bawor, M., Lee, J., Wells, G., & Goldsmith, C. H. (2013). A tutorial on sensitivity analyses in clinical trials: The what, why, when and how. *BMC Medical Research Methodology*, 13(1), 92. <https://doi.org/10.1186/1471-2288-13-92>
- Terjesen, S., Aguilera, R. V., & Lorenz, R. (2014). Legislating a Woman's Seat on the Board: Institutional Factors Driving Gender Quotas for Boards of Directors. *Journal Of Business Ethics*, 128(2), 233–251. <https://doi.org/10.1007/s10551-014-2083-1>
- Torchia, M., Calabrò, A., & Huse, M. (2011). Women Directors on Corporate Boards: From Tokenism to Critical Mass. *Journal of Business Ethics*, 102(2), 299-317. <https://doi.org/10.1007/s10551-011-0815-z>
- Tran, N. T. A., Jubb, C., & Rajendran, D. (2024). Female directors and firm performance following mergers and acquisitions. *Human Resource Management Journal*, 34(2), 403-420. <https://doi.org/10.1111/1748-8583.12470>
- Van Knippenberg, D., & Schippers, M. C. (2007). Work Group Diversity. *Annual Review of Psychology*, 58(1), 515-541. <https://doi.org/10.1146/annurev.psych.58.110405.085546>

- Van Veen, K., & Elbertsen, J. (2008). Governance Regimes and Nationality Diversity in Corporate Boards: A Comparative Study of Germany, the Netherlands and the United Kingdom. *Corporate Governance*, 16(5), 386–399. <https://doi.org/10.1111/j.1467-8683.2008.00698.x>
- Vermeulen, F., & Barkema, H. (2001). LEARNING THROUGH ACQUISITIONS. *Academy of Management Journal*, 44(3), 457-476. <https://doi.org/10.2307/3069364>
- Walsh, J. P. (1988). Top management turnover following mergers and acquisitions. *Strategic Management Journal*, 9(2), 173-183. <https://doi.org/10.1002/smj.4250090207>
- Walsh, J. P. (1989). Doing a deal: Merger and acquisition negotiations and their impact upon target company top management turnover. *Strategic Management Journal*, 10(4), 307-322. <https://doi.org/10.1002/smj.4250100402>
- Weber, D., Skirbekk, V., Freund, I., & Herlitz, A. (2014). The changing face of cognitive gender differences in Europe. *Proceedings Of The National Academy Of Sciences Of The United States Of America*, 111(32), 11673–11678. <https://doi.org/10.1073/pnas.1319538111>
- Weber, Y., & Yedidia Tarba, S. (2012). Mergers and acquisitions process: The use of corporate culture analysis. *Cross Cultural Management: An International Journal*, 19(3), 288-303. <https://doi.org/10.1108/13527601211247053>
- Weisbach, M. S. (1988). Outside directors and CEO turnover. *Journal of Financial Economics*, 20, 431-460. [https://doi.org/10.1016/0304-405X\(88\)90053-0](https://doi.org/10.1016/0304-405X(88)90053-0)
- Westphal, J. D., & Zajac, E. J. (1995). Who Shall Govern? CEO/Board Power, Demographic Similarity, and New Director Selection. *Administrative Science Quarterly*, 40(1), 60. <https://doi.org/10.2307/2393700>
- Williams, K. Y. and O'Reilly, C. A., III. (1998). 'Demography and diversity in organizations: a review of 40 years of research'. *Research in Organizational Behavior*, 20. Greenwich, CT: JAI Press, 77–140.

Yagli, I. and Simsek, B. (2017), “A meta-analytic review of the relation between board globalization and firm performance”, *Financial Studies*, Vol. 2 No. 1, pp. 31-55.

Zollo, M., & Singh, H. (2004). Deliberate learning in corporate acquisitions: Post-acquisition strategies and integration capability in U.S. bank mergers. *Strategic Management Journal*, 25(13), 1233-1256. <https://doi.org/10.1002/smj.426>

Zellmer-Bruhn, M. E. (2003). Interruptive Events and Team Knowledge Acquisition. *Management Science*, 49(4), 514-528. <https://doi.org/10.1287/mnsc.49.4.514.14423>

Zhu, D. H., & Chen, G. (2015). Narcissism, director selection, and risk-taking spending: Narcissism, Director Selection, and Risk-Taking Spending. *Strategic Management Journal*, 36(13), 2075-2098. <https://doi.org/10.1002/smj.2322>

Appendices

Appendix I

Model ROA with and without outliers

Explained variance and significance

Model	R Square	F	Sign.
With outliers	0.001	0.540	.779 _b
Without outliers	0.008	2.713	.005 _d

a. Dependent variable: ROAdelta

b. Predictors: (Constant), Industry9_dummy, Industry1_dummy, Industry5_dummy, Industry8_dummy, Industry7_dummy, Industry4_dummy, Industry2_dummy, Industry3_dummy, EXPdelta, Bsdelta, DualityPresence, OneTier_dummy, IndustryRelatedness, CrossBorderDeal, AGEdelta, DIVdelta, NATdelta, Turnover

Model MTB with and without outliers

Explained variance and significance

Model	R Square	F	Sign.
With outliers	0.003	0.779	.2622 _b
Without outliers	0.022	6.990	<.001 _d

a. Dependent variable: MTBdelta

b. Predictors: (Constant), Industry9_dummy, Industry1_dummy, Industry5_dummy, Industry8_dummy, Industry7_dummy, Industry4_dummy, Industry2_dummy, Industry3_dummy, EXPdelta, Bsdelta, DualityPresence, OneTier_dummy, IndustryRelatedness, CrossBorderDeal, AGEdelta, DIVdelta, NATdelta, Turnover

Appendix II

Model ROA without outliers					
<i>Regression coefficients & VIF-values</i>					
Model with outliers	Coeff.	Std.err.	t	Sign.	VIF
(Constant)	0.074		-1.388	0.165	
Turnover	0.038		4.522	<0.001	1.096
AGEdelta	0.065		-1.130	0.184	1.043
DIVdelta	0.168		-0.795	0.427	1.065
NATdelta	0.029		-2.094	0.036	1.067
EXPdelta	0.063		-2.436	0.015	1.069
Bsdelta	0.113		2.473	0.013	1.090
DualityPresence	0.041		1.251	0.211	1.050
IndustryRelatedness	0.043		-0.841	0.401	1.053
OneTier_dummy	0.043		-0.577	0.578	1.056
CrossBorderDeal	0.046		0.436	0.663	1.104
Ind1_dummy	0.099		.350	.727	1.750
Ind2_dummy	0.071		-.016	.987	1.989
Ind3_dummy	0.065		.404	.686	1.629
Ind4_dummy	0.072		1.090	.276	1.341
Ind5_dummy	0.093		-.228	.820	1.610
Ind7_dummy	0.076		-.379	.705	1.367
Ind8_dummy	0.090		1.009	.313	1.012
Ind9_dummy	0.624		.337	.736	1.056

a. Dependent variable: ROAdelta

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Model MTB without outliers
Regression coefficients & VIF-values

Model with outliers	Coeff. Std.err.	t	Sign.	VIF
(Constant)	0.074	-1.388	0.165	
Turnover	0.038	4.522	<0.001	1.096
AGEdelta	0.065	-1.130	0.184	1.043
DIVdelta	0.168	-0.795	0.427	1.065
NATdelta	0.029	-2.094	0.036	1.067
EXPdelta	0.063	-2.436	0.015	1.069
Bsdelta	0.113	2.473	0.013	1.090
DualityPresence	0.041	1.251	0.211	1.050
IndustryRelatedness	0.043	-0.841	0.401	1.053
OneTier_dummy	0.043	-0.577	0.578	1.056
CrossBorderDeal	0.046	0.436	0.663	1.104
Ind1_dummy	0.099	0.350	0.727	1.304
Ind2_dummy	0.071	-0.016	0.987	1.750
Ind3_dummy	0.065	0.404	0.686	1.989
Ind4_dummy	0.072	1.090	0.276	1.629
Ind5_dummy	0.093	-0.228	0.820	1.341
Ind7_dummy	0.076	-0.379	0.705	1.610
Ind8_dummy	0.090	1.009	0.313	1.367
Ind9_dummy	0.624	0.337	0.736	1.012

a. Dependent variable: MTBdelta

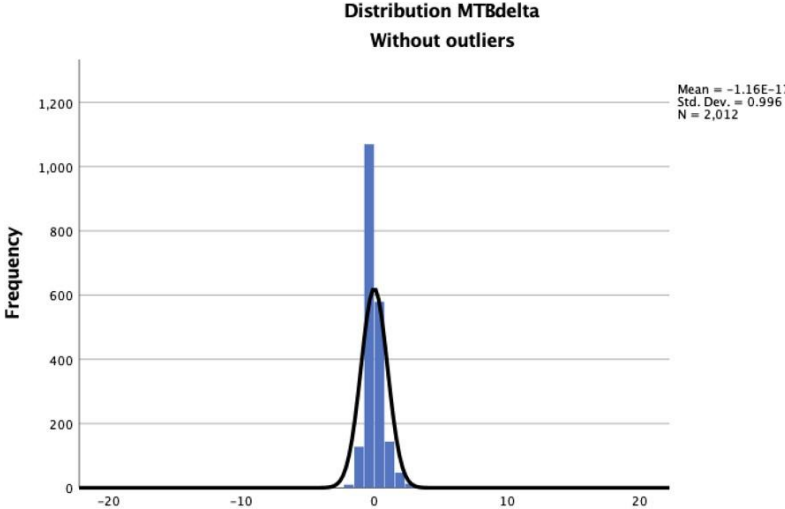
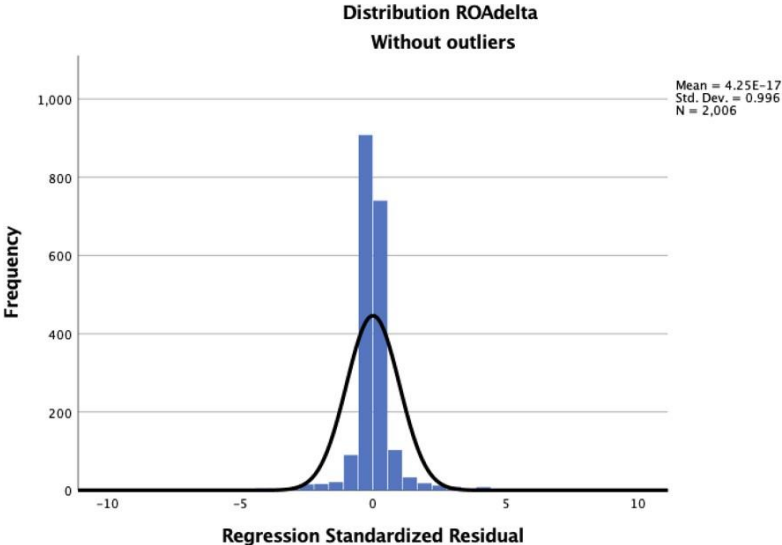
B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Appendix III

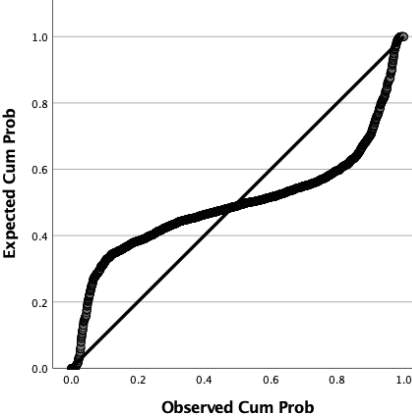
Legend Pearson's correlation matrix

Turnover	VAR1
ROAdelta	VAR2
MTBdelta	VAR3
AGEdelta	VAR4
DIVdelta	VAR5
NATdelta	VAR6
EXPdelta	VAR7
Bsdelta	VAR8
DualityPrecense	VAR9
IndustryRelatedness	VAR10
CrossBoarderDeal	VAR11
OneTier_dummy	VAR12
Ind1_dummy	VAR11
Ind2_dummy	VAR13
Ind3_dummy	VAR14
Ind4_dummy	VAR15
Ind5_dummy	VAR16
Ind6_dummy	VAR17
Ind7_dummy	VAR18
Ind8_dummy	VAR19
Ind9_dummy	VAR20

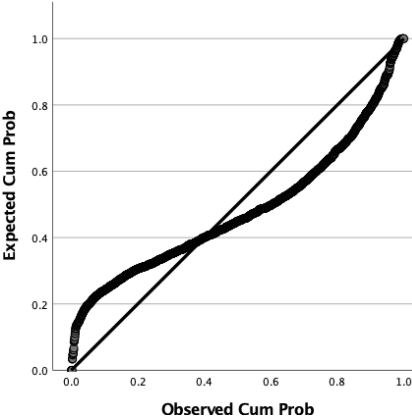
Appendix IV



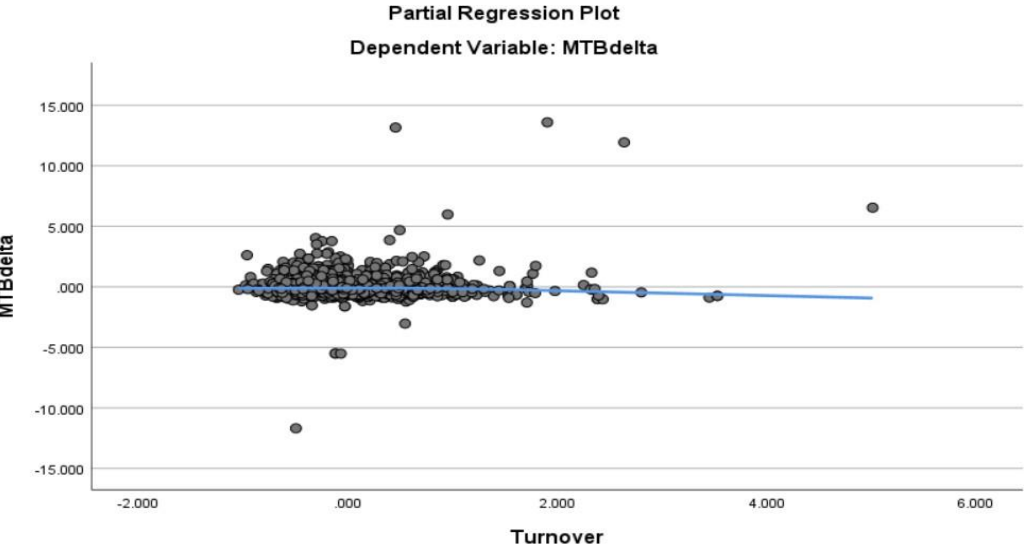
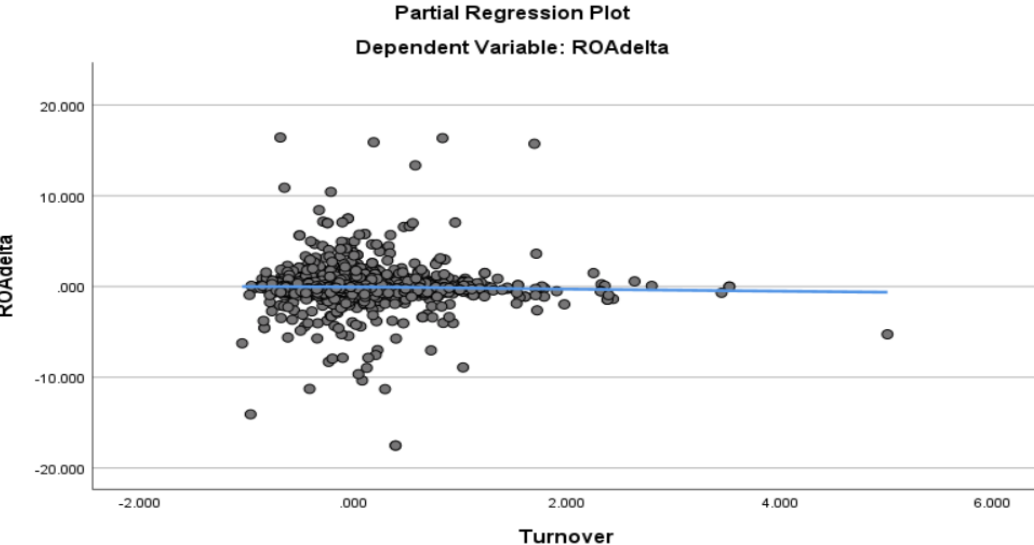
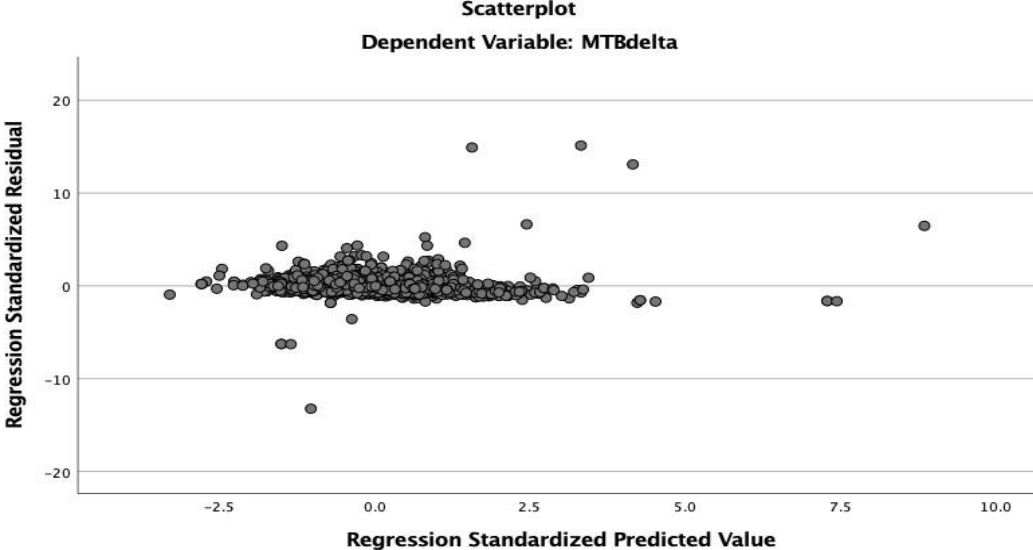
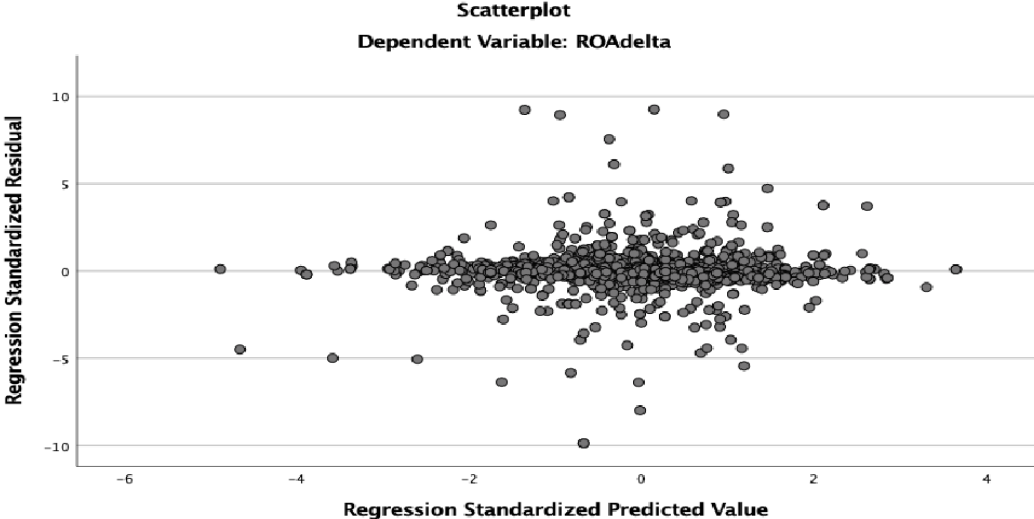
Normal P-P Plot of Regression Standardized Residual
Dependent Variable: ROAdelta



Normal P-P Plot of Regression Standardized Residual
Dependent Variable: MTBdelta



Appendix V



B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Appendix VI

Mediation-effect on
Dichotomized ROA
(N=2009)

Variables	Model 1			Model 2			Model 3			Model 4		
	Age diversity (M1)			Gender diversity (M2)			Nationality diversity (M3)			Post acquisition performance (Y)		
	Coeff.	SE	P	Coeff.	SE	p	Coeff.	SE	p	Coeff.	SE	p
Turnover	-0.026	0.022	.239	0.010	0.006	.101	-0.058	0.280	.038	-0.210	0.095	.027
AGEdeta										-0.048	0.158	.760
DIVdelta										-0.766	0.402	.057
NATdelta										-0.234	0.072	.001
Ind1_dummy	-0.025	0.037	.498	0.005	0.013	.698	0.105	0.078	.176	0.131	0.238	.581
Ind2_dummy	-0.057	0.022	.009	-0.010	0.009	.260	-0.107	0.057	.059	0.047	0.171	.782
Ind3_dummy	-0.016	0.024	.523	0.001	0.008	.878	-0.102	0.055	.062	0.310	0.157	.055
Ind4_dummy	-0.013	0.026	.614	0.002	0.010	.867	-0.026	0.072	.719	0.201	0.174	.246
Ind5_dummy	-0.041	0.034	.226	0.001	0.013	.966	0.037	0.084	.664	0.062	0.227	.785
Ind7_dummy	-0.077	0.024	.001	-0.008	0.010	.417	-0.103	0.061	.092	-0.035	0.185	.850
Ind8_dummy	-0.086	0.034	.012	-0.005	0.014	.700	0.057	0.070	.413	0.389	0.214	.069
Ind9_dummmmy	-0.107	0.161	.506	-0.174	0.016	<.001	0.834	1.054	.429	-13.42	855.5	.988
OneTier_dummy	-0.029	0.017	.082	-0.024	0.006	<.001	-0.050	0.035	.144	-0.037	0.102	.722
CrossBorderDeal	0.002	0.015	.934	0.002	0.006	.750	0.033	0.037	.374	0.120	0.110	.308
IndustryRelatedness	0.009	0.014	.532	0.002	0.006	.736	0.057	0.035	.100	-0.108	0.103	.296
DualityPresence	<0.001	0.013	.993	-0.020	0.005	<.001	0.073	0.035	.035	0.031	0.098	.750
BSdelta	0.276	0.064	<.001	-0.005	0.016	.768	0.806	0.105	<.001	-0.308	0.279	.270
EXPdelta	-0.031	0.028	.273	0.074	0.010	<.001	-0.014	0.058	.816	0.219	0.150	.144
Constant	0.082	0.028	.003	-0.057	0.009	<.001	0.239	0.057	<.001	-0.404	0.179	.024
	$R^2 = .037$ $F(15,1993) = 3.03, p < .001$			$R^2 = .059$ $F(515,1993) = 18.27, p < .001$			$R^2 = .058$ $F(15,1993) = 6.52, p < .001$			$Nagelkrk = 0.025$ $F(18) = 37.40, p = .005$		

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Comparison total, direct and indirect effects dichotomizedROA

Effects		Effect	SE	p	95% CI	
					Min	Max
Total effect	c	-0.202	0.085	.022	-0.376	-0.021
Direct effect	c'	-0.210	0.095	.027	-0.396	-0.024
Indirect effects		Effect	SE ¹		Min ¹	Max ¹
Total	ab	0.008	0.012		-0.015	0.033
Age diversity	a1b1	0.004	0.006		-0.008	0.016
Gender diversity	a2b2	-0.007	0.007		-0.024	0.002
Nationality diversity	a3b3	0.014	0.008		0.001	0.032

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Appendix VII

*Mediation-effect on
Dichotomized MTB
(N=2006)*

Variables	Model 1			Model 2			Model 3			Model 4		
	Age diversity (M1)			Gender diversity (M2)			Nationality diversity (M3)			Post acquisition performance (Y)		
	Coeff.	SE	P	Coeff.	SE	p	Coeff.	SE	p	Coeff.	SE	p
Turnover	-0.041	0.017	.018	0.010	0.006	.089	-0.056	0.280	.046	-0.069	0.089	.438
AGEdelta										-0.214	0.160	.181
DIVdelta										-0.140	0.391	.720
NATdelta										-0.081	0.067	.229
Ind1_dummy	-0.010	0.035	.770	0.005	0.013	.734	0.113	0.078	.146	0.396	0.229	.083
Ind2_dummy	-0.048	0.019	.012	-0.010	0.009	.249	-0.100	0.057	.078	0.080	0.166	.630
Ind3_dummy	-0.021	0.021	.921	0.001	0.008	.972	-0.093	0.055	.088	0.360	0.153	.018
Ind4_dummy	0.003	0.022	.880	-0.001	0.009	.909	-0.018	0.072	.800	0.022	0.169	.898
Ind5_dummy	-0.028	0.032	.382	<0.001	0.013	.999	0.045	0.084	.595	0.115	0.218	.598
Ind7_dummy	-0.063	0.020	.002	-0.009	0.010	.390	-0.096	0.062	.118	0.077	0.177	.663
Ind8_dummy	-0.072	0.032	.023	-0.006	0.014	.677	0.064	0.070	.353	0.361	0.208	.083
Ind9_dummmmy	-0.087	0.159	.586	-0.175	0.016	<.001	0.845	1.057	.424	0.445	1.424	.755
OneTier_dummy	-0.035	0.016	.033	-0.024	0.006	<.001	-0.055	0.035	.114	0.040	0.100	.685
CrossBorderDeal	-0.006	0.014	.687	0.002	0.006	.696	0.028	0.037	.446	-0.182	0.107	.088
IndustryRelatedness	0.015	0.014	.261	0.002	0.006	.754	0.060	0.035	.085	-0.060	0.100	.544
DualityPresence	-0.001	0.013	.927	-0.019	0.005	<.001	0.069	0.035	.049	0.099	0.095	.301
BSdelta	0.245	0.057	<.001	-0.005	0.016	.752	0.810	0.106	<.001	0.479	0.263	.069
EXPdelta	-0.020	0.026	.446	0.074	0.010	<.001	-0.013	0.058	.820	-0.274	0.149	.065
Constant	0.087	0.028	.002	-0.058	0.009	<.001	0.238	0.057	<.001	-0.307	0.174	.077
	$R^2 = .036$ $F(15,1990) = 3.02, p < .001$			$R^2 = .060$ $F(515,1990) = 17.33, p < .001$			$R^2 = .058$ $F(15,1990) = 6.52, p < .001$			$Nagelkrk = 0.017$ $F(18) = 26.17, p = .096$		

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Effects		Effect	SE	<i>p</i>	95% CI	
					Min	Max
Total effect	c	-0.057	0.094	.421	-0.241	0.106
Direct effect	c'	-0.069	0.089	.438	-0.243	0.105
Indirect effects		Effect	SE ¹		Min ¹	Max ¹
Total	ab	0.012	0.011		-0.007	0.035
Age diversity	a1b1	0.009	0.008		-0.004	0.026
Gender diversity	a2b2	-0.001	0.005		-0.012	0.007
Nationality diversity	a3b3	0.005	0.005		-0.003	0.016

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Appendix VIII

Sensitivity analysis
ROA (N=2014)

Variables	Model 1			Model 2			Model 3			Model 4		
	Age diversity (M1)			Gender diversity (M2)			Nationality diversity (M3)			Post acquisition performance (Y)		
	Coeff.	SE	P	Coeff.	SE	p	Coeff.	SE	p	Coeff.	SE	p
Turnover	-0.026	0.022	.241	0.010	0.006	.092	-0.057	0.280	0.043	-0.044	0.212	0.838
AGEdelta										0.518	0.423	0.221
DIVdelta										0.576	1.037	0.578
NATdelta										-0.018	0.188	0.922
Ind1_dummy	-0.026	0.037	.495	0.005	0.013	.690	0.105	0.078	0.176	-0.178	0.370	0.630
Ind2_dummy	-0.058	0.022	.008	-0.010	0.009	.261	-0.110	0.057	0.052	-0.253	0.318	0.426
Ind3_dummy	-0.017	0.024	.480	0.001	0.008	.870	-0.103	0.055	0.059	-0.346	0.695	0.619
Ind4_dummy	-0.012	0.026	.646	0.001	0.010	.932	-0.028	0.072	0.693	-0.269	0.273	0.324
Ind5_dummy	-0.041	0.034	.226	0.001	0.013	.956	0.037	0.084	0.659	-0.103	0.290	0.724
Ind7_dummy	-0.077	0.024	.001	-0.008	0.010	.425	-0.103	0.061	0.094	0.049	0.308	0.873
Ind8_dummy	-0.086	0.034	.012	-0.005	0.014	.707	0.057	0.070	0.412	-0.186	0.353	0.598
Ind9_dummmmy	-0.107	0.161	.506	-0.173	0.016	<.001	0.836	1.054	0.428	0.116	0.924	0.904
OneTier_dummy	-0.030	0.017	.078	-0.025	0.006	<.001	-0.053	0.035	0.128	-0.404	0.296	0.172
CrossBorderDeal	0.002	0.015	.899	0.002	0.006	.763	0.033	0.037	0.380	0.070	0.541	0.898
IndustryRelatedness	0.008	0.014	.557	0.002	0.006	.707	0.057	0.035	0.104	0.132	0.204	0.517
DualityPresence	<0.001	0.013	.960	-0.021	0.005	<.001	0.074	0.035	0.036	-0.433	0.360	0.229
BSdelta	0.271	0.063	<.001	-0.006	0.016	.723	0.802	0.104	<0.001	-3.529	3.457	0.308
EXPdelta	-0.031	0.028	.275	0.074	0.010	<.001	-0.010	0.058	0.865	0.056	0.214	0.794
Constant	0.082	0.028	.004	-0.057	0.009	<.001	0.240	0.057	<0.001	0.577	0.541	0.286
	$R^2 = .037$			$R^2 = .060$			$R^2 = .058$			$R^2 = .013$		
	$F(15,1998) = 3.06, p < .001$			$F(15,1998) = 18.89 p < .001$			$F(15,1998) = 6.61, p < .001$			$F(18,1995) = 25.99, p = 0.411$		

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Comparison total, direct and indirect effects sensitivity ROA

Effects		Effect	SE	p	95% CI	
					Min	Max
Total effect	c	-0.05	0.210	.810	-0.461	0.361
Direct effect	c'	-0.04	0.212	.837	-0.460	0.373
Indirect effects		Effect	SE ¹		Min ¹	Max ¹
Total	ab	-0.007	0.002		-0.004	0.003
Age diversity	a1b1	-0.001	0.001		-0.004	0.001
Gender diversity	a2b2	0.001	0.001		-0.002	0.002
Nationality diversity	a3b3	<0.001	0.001		-0.002	0.004

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Appendix IX

Sensitivity analysis

MTB (N=2014)

Variables	Model 1			Model 2			Model 3			Model 4		
	Age diversity (M1)			Gender diversity (M2)			Nationality diversity (M3)			Post acquisition performance (Y)		
	Coeff.	SE	P	Coeff.	SE	p	Coeff.	SE	p	Coeff.	SE	p
Turnover	-0.026	0.022	.241	0.010	0.006	0.092	-0.057	0.280	0.043	0.037	0.184	.840
AGEdeta										-0.425	0.380	.264
DIVdelta										-0.290	0.294	.324
NATdelta										-0.315	0.268	.239
Ind1_dummy	-0.025	0.037	.495	0.005	0.013	.690	0.105	0.078	.176	0.191	0.187	.306
Ind2_dummy	-0.057	0.022	.008	-0.010	0.009	.261	-0.110	0.057	.052	0.627	0.636	.324
Ind3_dummy	-0.017	0.024	.480	0.001	0.008	.870	-0.103	0.055	.059	-0.024	0.094	.796
Ind4_dummy	-0.013	0.026	.646	0.001	0.010	.932	-0.028	0.072	.693	0.088	0.108	.418
Ind5_dummy	-0.041	0.034	.226	0.001	0.013	.956	0.037	0.084	.659	-0.021	0.086	.810
Ind7_dummy	-0.077	0.024	.001	-0.008	0.010	.425	-0.103	0.061	.094	-0.091	0.111	.413
Ind8_dummy	-0.086	0.034	.012	-0.005	0.014	.707	0.057	0.070	.412	0.129	0.149	.387
Ind9_dummmmy	-0.107	0.161	.506	-0.174	0.016	<.001	0.836	1.054	.428	0.367	1.054	.728
OneTier_dummy	-0.030	0.017	.078	-0.025	0.006	<.001	-0.053	0.035	.128	0.131	0.175	.454
CrossBorderDeal	0.002	0.015	.899	0.002	0.006	.763	0.033	0.037	.380	0.163	0.126	.197
IndustryRelatedness	0.009	0.014	.557	0.002	0.006	.707	0.057	0.035	.104	0.309	0.345	.371
DualityPresence	<.001	0.013	.960	-0.021	0.005	<.001	0.074	0.035	.036	-0.147	0.182	.420
BSdelta	0.271	0.063	<.001	-0.006	0.016	.723	0.802	0.105	<.001	-0.023	0.335	.946
EXPdelta	-0.031	0.028	.275	0.074	0.010	<.001	-0.010	0.058	.865	-0.651	0.510	.202
Constant	0.082	0.028	.004	-0.057	0.009	<.001	0.240	0.057	<.001	-0.161	0.093	.083
	$R^2 = .037$			$R^2 = .059$			$R^2 = .058$			$R^2 = .008$		
	$F(15,1998) = 3.06, p < .001$			$F(515,1998) = 18.89 p < .001$			$F(15,1998) = 6.61, p < .001$			$F(18,1995) = 25.99, p = 0.718$		

B.o.D. TURNOVER & DIVERSITY IMPACT ON POST-ACQUISITION PERFORMANCE

Comparison total, direct and indirect effects sensitivity MTB

Effects		Effect	SE	p	95% CI	
					Min	Max
Total effect	c	0.063	0.169	.708	-0.27	0.39
Direct effect	c'	0.037	0.184	.840	-0.32	0.40
Indirect effects		Effect	SE ¹		Min ¹	Max ¹
Total	ab	0.026	0.029		-0.00	0.10
Age diversity	a1b1	0.011	0.016		-0.01	0.06
Gender diversity	a2b2	-0.003	0.004		-0.01	0.00
Nationality diversity	a3b3	0.018	0.019		-0.00	0.07