IMPACT OF CROSS-BORDER M&AS ON FIRM EMPLOYMENT - THE CASE OF CROATIA

MARIJA KAŠTELAN MRAK
FACULTY OF ECONOMICS, UNIVERSITY OF RIJEKA, CROATIA

DANIJELA SOKOLIĆ
FACULTY OF ECONOMICS, UNIVERSITY OF RIJEKA, CROATIA

NENAD VRETENAR
FACULTY OF ECONOMICS, UNIVERSITY OF RIJEKA, CROATIA

Summary:

Some of the most important aspects of globalization refer to free capital flows and internationalization of firm ownership. This paper reports on some preliminary observations considering two important phenomena that will influence future Croatian economic development: cross-border M&As and employment. So far, in the case of Croatia, cross-border M&As had attracted interest primarily as a source of fresh capital that would nurture future investments in technology, products and markets. Considering the shortage of capital and the slow rate of restructuring underwent by Croatian companies in the nineties, it was only natural that macroeconomic issues relating to capital flows (FDI), gross fixed capital formation and employment would dominate discussion. The issue of relinquishing control that comes along the acquisition of ownership stakes of Croatian companies by foreign owners has come under criticism only more recently. Without providing any final conclusion on the net benefits of cross-border M&As we tried to raise some evidence on the behavior of foreign owners as compared to domicile owners. In this paper we focus on employment, first because we believe employment may serve as an indicator of "broad" social impact of cross-border M&As and second, because of methodological reasons. We analyzed company data provided by the Croatian Securities Exchange (now HANFA). We found that it is not so much the type (nationality) of owners that affects labor practices, but first and utmost, business performance in terms of profits and losses.

Key words: cross-border M&As, foreign owners, employment, FDI, Croatia

1. Employment issues related to cross-border M&As on the FDI receiving side

Cross-border M&As are one form of FDI.[23] According to World Investment Report, the M&As

[23] According to the definition provide by the World Investment Report (Methodological Notes, 2005) FDI is a long-term investment reflecting a lasting interest

are dominant form of FDI with 80% stake (World Investment Report, 2000, p XX). Two other forms acquiring or rising ownership stakes are green field investments and reinvestment of profits.

From a microeconomic point of view, M&As represent a mean of market consolidation and a business strategy employed by the acquiring company in order to achieve synergies and raise profits. From the perspective of a firm being acquired, the acquisition may mean a new beginning or a route to liquidation, which may make stakeholders (owners, managers and employees) either cooperative or reluctant regarding acquisition. In the later case, we speak of hostile takeovers which produce additional economic costs. Cross border M&As are interesting for analyses as they magnify issues present in the process of M&As: potential synergies increase, as does the size of the companies and markets involved, but so do power issues that tend to become more acute.[24]

One of the reasons why Croatia pursues a policy of attracting FDI are higher growth rates needed to provide jobs.[25] For Croatian firms and for the Croatian economy during the nineties, insufficient investment capacity represented a severe drawback in the attempts to adapt to the new political and economic landscape. So, one of the envisaged methods for raising new capital and boosting economic activity was by attracting FDI inflows, part of which came through acquisitions of Croatian companies by foreign owners.

Foreign owners, in particular strategic investors, were welcomed also because, aside from bringing in new investments, they were expected to be more knowledgeable about up-to-date (western) management techniques, familiar with markets and therefore better prepared to conduct the needed restructuring of existing firms.[26]

---

and control of a resident entity by a non-resident investor. FDI flows comprise equity capital, reinvested earnings and intra-company loans. Transnational corporations are incorporated or unincorporated enterprises comprising parent companies and their foreign affiliates.

[24] Organization theory treats those issues as power asymmetries which may appear in any bilateral relationship modified by the acquisition: between acquiring company and target company, between the new owners and managers and the incumbent owners-managers-employees, between national authorities and consumers as opposed to the foreign acquirer due to its markets power, etc. Power asymmetries, in a situation of bilateral monopoly, lead to inefficiencies, that is “hold up” problems and a redistribution of wealth in favor of the more powerful side.

[25] In Croatia, unemployment is generally high, but it is especially a problem for some parts of the population: the young (under 25), the above 40, lower skill workers; and in parts of the country further from the capital city, or from the coats, that at the same time the parts of the country that have been most heavily struck by the war.

However, it should be noticed that “Several factors seem to have weakened the association between aggregate output growth and labor market outcomes in Eastern Europe and the CIS.” as has been pointed out by WESP (2006, p 102-103). Among those are factors which we will not look into our research such as: time lags in business cycles, expansion in labor non-intensive sectors, low labor mobility, skill mismatches suggesting the need for more government effort to reduce labor market rigidities.

[26] See Čučković (2000) for an outline of privatization effects up to 2000 and for a list of strategic privatization goals for 200-2005 and Žigman (2000) for policy and expectation from FDI. Both material are part of a Government’s strategic document “Croatia in the 21st century”, section on International Integrations. Both documents are illustrative of a rather benign treatment of foreign investments and foreign strategic investors.

One of the negative sides of strategic investors was that once control is acquired, there was a fear that profits would be realized primarily through cost-cuts, a business practice that may be beneficial to new owners but harmful to employees.[27] Second, even though empirical research in CEE countries suggests that multinational companies (MNCs) favor knowledge transfers and promote learning in the acquired company, they also tend to weaken trade unionism (Aguilera and Dabu, 2003, p15).

So far, public opinion tended to perceive certain types (nationalities) of owner as being less socially sensitive. In Croatia, the State is considered to be by far the most preferred (stable and fair) employer. High union activity that is most often directed towards the State as the employer might be misleading for an observer from abroad, but it should be read as a signal that the State is open to negotiating while private owners, including foreign owners, might not be. It is a public belief that companies owned by the state provide better labor security, while private owners, especially foreign investors pursuing profitable employment of capital may be less sensitive.

Our interest in future research is to establish whether there are specific differences in human resource policies. We believe one of the most important (yet under-researched) impacts of foreign owners concerns the question of long run effects for the quality and competitiveness of the national labor force, especially professional workers. Three short-long term issues interrelate in this arena:

1. The social aspects of foreign ownership. Those are coincidental with maintaining jobs and social security of a larger population of employees;

2. Keeping and developing professional capacity of acquired companies. In the immediate post-acquisition period professional capacity would depend on the will and capability of owners and managers of the acquiring company to keep (and cooperate with) the already existing professional-managerial capacity in the acquired company;

3. Individual development (career) paths and the consequent long-terms competitiveness and mobility of individual professionals (but also less-skilled workers) in European labor markets.

At this stage of our research, concerning the available data and the early stage of research, we focus on the first item. The second stage would demand some in-field research that is more time (and financially) demanding.

2. Jobs related benefits and drawbacks from an international perspective

In a globalized world, FDIs and ownership in general, are crucial issues to future economic possibilities at national level (sustainable growth), firm level (future competitiveness) and individual level (long-term employability and earnings). However, there have been somewhat different perspectives and different analytical possibilities for different economies, especially when talking of gains/losses of jobs.

When looking at FDI, especially at cross-border sales and acquisitions of equity and the role of multinational companies (MNC), there are some

[27] Attempts to look at “ long-term” and “net” effects of large-scale privatization and FDI are generally more recent, but are becoming more common around the world.

concerns worldwide of M&As having both beneficial and harmful effects on national economies and their population. There has been recent work on FDI effects, and FDI 'desirability' as treated by Enderwick (2005, p 96-102) who argues that desirability of FDI was long regarded through "first round" economic impact, including 'employment creation, capital inflows, the provision of technology and the transfer of new managerial and organizational practices'. Neglecting secondary impacts (motives for FDI, spillover effects and influence of further development of linkages) and tertiary impacts (impacts on infrastructure, regulation and policy and on the utilization of natural resources). The concern of developing countries, but also of small countries, is that multinational companies limit economic sovereignty and serve as a weapon of re-colonizing less developed economies, and of making assets control on a basis of expropriation and redistribution of wealth.

In developed countries, such as the US, the main concern of analysts and policy makers often relates to size and impact of MNCs and intra-group trade in goods and services (Nephew et al, 2005), as well as cross-border financial flows.[28] Even in those economies the issue of statistical tracking remains unresolved[29] especially when related to intra-firm organizational restructuring of business flows in the case of "offshore outsourcing" and their employment impact. In the US there is much public concerns that while once employment by foreign affiliates tended to be concentrated in high-wage countries, the recent trend may be of shifting employment to low-wage countries, so that developed countries may be losing jobs.[30]

In Europe, across-border M&As have become significantly more important during the process of European economic integration and with the promotion of the idea of free movement of capital.[31] The acceleration of European integration, seen as a mean to achieve global competitiveness at the level of the European economy, has implication on firm structure and inter-firm relationships. Changes needed in order to produce new economies of scale and other forms of synergies opened the issue of allocation of economic activity and its social consequences. This is a very probable reason why European middle classes might be reluctant towards European enlargement. Even in the "old" Europe, social issues remain as large-scale, high-value cross-border M&As have become more frequent and more visible to the general public.

For the SEE region (transition economies or the "new" Europe) the issues connected to foreign ownership most often relate to the privatization process and its goals, dynamics and mechanisms.[32] A significant part of FDI directed

[28] Cross-border M&As fell, especially among developed countries after 2000, but were still above the average of 1996-1999.

[29] Not even the US is satisfied with data collection so far, despite the fact that very strong interest does exists for data on value added, capital expenditures and employment. (Whitchard, 2004, p 8).

[30] Evidence is still not clear. For example, E. Nephew et al(2005, p 25): report that for many years service exports through majority owned foreign affiliates made up for most of the services sold to foreign markets by US companies, but also of foreign services sold in the US. In the future, there is a tendency of further growth in numbers and share.

[31] Total value of the intra-European M&A activity has peaked in 1999. and for the first time became as large as that of the US market for corporate control (Martynova, Oosting and Renneboog, 2006, p 2).

[32] Another line of interest deals with micro-level impact of M&As and provides theoretical and empirical research dealing with business impact of M&As, reasons of success/failure, arranging the bidding process and post-acquisition organizational adjustment-integration, especially cultural and managerial adjustment. A closely related approach

towards transition countries has been control seeking investment.[33] Still, in the case of transition economies, most theoretical literature dealt with M&As through the issue of ownership rights and the body of institutional infrastructure that will enhance or detract from the attractiveness of an investment destination for FDI. This suggests that the upfront perception of the privatization process and incoming FDI, especially by the establishment, has been mostly benevolent.

[Figure 1 - Total value of M&A deals in World and SEE]

In CEE and SEE inward FDI was highest in 2000 and crucial to fostering economic recovery (Sohinger, 2004).[34] Later, Kummar (2007) saw that peak of M&As value in SEE was in 2005 (Figure 1). In fact, the success at attracting FDI by transition economies has even led the European Commission to require EU accession countries to harmonize their FDI regimes and to lower incentives (tax holidays and corporate taxes in general) for foreign investors (WIR, 2003, p 64).

Crotty and Jobome in a review paper (2004) comment on the lack of theory (lots of ideology and luck of analysis that will create sound broader understanding) at the stage when transition was initiated in the European East and the need to build institutions that will strengthen ownership rights, contract enforcement mechanisms and make ownership and control structures. In terms of impact of foreign owners on performance, the research findings generally reports better financial performance (Kaštelan Mrak, Sokolic, Vretenar, 2005), while Brown, Earle and Teledgy (2004) find that in terms of productivity, even though higher in privatized firms compared to non-privatized, there is still the possibility of cross-sectional estimates to overstate the benefits of privatization.[35]

When it comes to Croatia, during the late nineties, Croatia was most eager to bring in FDI, most often in the form of acquisitions of Croatian firms by foreign owners. Still, a concern with ownership changes and Croatian privatization did remain even though enhancing investment capacity is among the most important facts to be examined in appraising growth potential and the possibilities of economic and organizational restructuring lying ahead of industries and firms. Figure 1 indicates the relative importance of M&As in SEE compared to the rest of the world.

---

deals with the M&A phenomenon by looking at new sources of economic efficiency and profit flows: usually in terms of achieving the right economies of scale, implementing new superior technology, gaining access to previously un-served markets or, complementary, by examining changes in markets structures and motives behind M&As, such as market power and monopoly rents...

[33] As noted by Enderwick (2005), transnational corporations seeking control provoke a number of direct and indirect effects on the FDI receiving economy. One of the negative indirect effects is that "... in a number of transition economies many benefits of privatization have been lost where a private (foreign) monopoly simply replaces a state monopoly." (p. 106)

[34] As noted by the Sohinger, transition economies had generally low domestic savings

[35] A related issue concerns outsourcing or contractual relations across borders, where not only production activities but also services (and higher skilled jobs) are being transferred to low-wage countries.

Table 1 - Employment in legal entities, FDI and Total Gross Investment in Croatia (legal entities 1998-2004)

Year	Aver. empl. in 000	FDI in mil €	GFCF in mil HRK	FDI/GFCF* in %	FDI/Aver. empl.
1999	1.058	1.362,9	31.329	32,2	1.288,2
2000	1.053	1.140,6	30.647	27,5	1.083,2
2001	1.056	1.467,5	33.202	32,7	1.389,7
2002	106	1.137,9	40.732	20,7	10.734,9
2003	1.088	1.762,4	54.955	23,7	1.619,9
2004	1.103	949,6	5.643	124,5	860,9
2005	1.113	1.467,9	59.209	18,3	1.318,9
2006	116	3.768,3	71.039	39,3	32.485,3
2007	1.212	3.679,0	78.243	34,8	3.035,5
2008	1.252	4.209,0	83.729	37,2	3.361,8

Source: **Statistical Yearbook of Republic of Croatia, 2010 (p. 218) and Gospodarska kretanja, Croatian Chamber of Commerce, no. 02/2011 (p. 5) and 01/2010 (p.5)**

* We converted kunas into Euros by dividing the amount in kunas by 7,4.

Most questions concerning the total impact of FDI and foreign ownership are still hanging to be investigated, but some general observations can be made on the scope of FDI compared to gross fixed capital formation and in terms of total employment by legal entities (Table 1). In the case of Croatia, the FDI values have been heavily influenced by privatization process of banks, communications, pharmaceutics and oil business.

Furthermore, Croatia as a candidate country, is expected to complete negotiations with EU in 2011, after what joining EU should happen in seeable future. Entering EU will raise the visibility of Croatian companies (resources in general) to the international investment community. Compared to other transition countries, especially in the SEE Region, Croatia has been successful in drawing FDI, most of which was related to the privatization process. In spite of the importance of FDI for the national economy, there has been little available research on the long-term impacts of cross-border M&As.

3. Employment in Croatian firms floated on the stock market

In this part of the paper we examine “concrete data” in order to get some insight on the effects of cross-border M&As on financial performance and on employment in Croatian companies. We are not aware of any existing statistics or analysis that reports on comparative employment practices by different types of owners, or at post-acquisition impacts of M&As on employment.

3.1. The sample

Sample consists of 40 Croatian public companies[36] listed in Croatian Agency for Supervision of Financial Services (Crosec) at 31. December 2008 that were target of acquisition in **2001-2007 period**.[37] Total number of firms that firstly met the criteria was 58, but 18 firms have had incomplete or inconsistent data and thus had to be eliminated. This provides us with a sample consisting of 24 firms with dominantly domestic private ownership, and 16 firms with dominantly foreign ownership.

The Croatian Securities Exchange Commission's database was chosen because it was one of the rare publicly available sources that offers comprehensive company data.[38] Also, the Crosec database was rather complete, so we could extract general indicators on firm performance (for most of the firms listed) for 7 years period. Also, because this database offered data on companies listed on the stock market, we believe had, partly at least, reduce potential errors in comparing data by unifying financial reports of sample firms.

Two years pre-acquisition, and five years post-acquisition period allow us to analyze long term operative efficiency of target firms regarding employment issues. Analyzed financial data (assets, shareholders equity, business revenues, profit/losses before taxes, and number of employees) enabled us to derivate labor related indicators by calculating relevant ratios (assets per employee, equity per employee, revenue pre employee and profit/losses per employee).

There are some constraints with our sample i.e. the size (especially the sub-sample of firms controlled by foreign owners). Additional drawbacks in using this sample derive from the fact that firms may vary very much in size and by industry.

Previous research (Kaštelan Mrak, Sokolić, Vretenar; 2007) also showed that foreign owned Croatian companies tended to have high concentration of ownership suggesting that those owners were interested in attaining control and entrepreneurial profits. At the time, three types of foreign owners were identified in the sample: 1. industry groups buying into a company as a mean of market/product expansion, which included almost 40% of the firms in the foreign-owners sub-sample in which one largest foreign owner held on average almost 80% of the equity; 2. single owners, or funds representing a single person who would act either similar to an industry group (active investor) or like an institutional owner or fund (inactive investor), which added up for another 17% of firms, where one largest foreign owner held on average almost 60% of the equity; and 3. portfolio investors, or investment fund and other investors with a diversified portfolio satisfied to collect rent without exerting more influence in the acquired company, which made up for the remaining 43% of firms in the sub-sample where foreign owners held on average 50% the equity.

---

[36] Public companies are considered to be ones which have more than 100 shareholders or have capital higher than 30 million kunas, or the ones that are selling their shares thought public offer.

[37] The Crosec database is no longer active so we used the last publicly available data span for establishing which firms were overtaken and when. The financial data for latter years that were missing at Crosec database were extracted from companies annual reports submitted to *The Zagreb Stock Exchange*.

[38] Even in countries with more advanced corporate governance practices it is hard to get pertinent data on ownership distribution, voting power concentration and managerial discretion. See Becht (1997), The Separation of Ownership and Control: a Survey of 7 European Countries, European Corporate Governance Network.

3.2. Observations concerning employment

Since we started to research the impact of foreign owners on employment, our first task was to compare employment changes during observed period. For each firm that underwent M&A data was extracted for a seven years period (or shorter if there was no data available) in a way to cover two years before the M&A and five years following the M&A. In order to set comparable results, we used averages to measure employment and performance.

[Figure 2 - Number of employees (average)]

As can be seen from the above figure (Figure 2), average employment by foreign owners was higher than average prior to acquisition, and remained higher for 3 years following the acquisition. But in the last two observed years average number of those two groups is very similar. The difference in first observed years is partially the result of small sample, and big variation in firm sizes. The tendency of average employee stability in domestic owned firms, and tendency of constant decreasing in average number of employees at foreign owned firms are both heavily influenced by few major firms in the samples.

To neutralize this problem, the number of employees has been converted in index numbers and the year before acquisition was used as a base year. As it can be seen from Figure 3, comparison of averages of index numbers of employees shows that trends for foreign and domestic owners are almost identical.

The trends of firms overtaken by foreign, and firms overtaken by domestic owners both show relative stability in numbers of employees in the two years following the acquisition, and decreased number of employees in the later years.

[Figure 3 – Change in employment]

A decrease in the number of employees would be expected, at least in theory, as a post-acquisition result of restructuring in the cases when M&As were driven by motives of achieving synergies.[39] If the M&A occurred for synergy reasons, process of rationalization through post-acquisition integration and coordination would be noticeable sooner, probably in first year following the acquisition. However our data does not confirm that hypothesis as employment did not decrease in the immediate post-acquisition period.[40]

It should be noticed that higher average of absolute number of employees in firms overtaken by foreign owners probably reflects bigger financial power of foreign buyers, and/or better availability of financial resources.

[Figure 4 - Assets per employee (average)]

In our sample, assets per employee ratio, as a broad measure of asset utilization per employee, shows increase of labor productivity in total averages in both observed groups. Similarly as noticed from previous figures, there is a discrepancy in firm size that leads to distortion made by the result of bigger firms in sample. From Figure 4 can be seen that increase in

---

[39] As a contrast to market seeking and monopoly motives to acquisition.

[40] Stability in number of employees can also be the result of accepted contractual obligations by buyer when target firms were previously state owned. However, this issue was not addressed in this study, and would require further research.

assets per employee ratio of foreign owned firms exceeds increase shown by domestic owned ones through entire observed time span. As data present in relative numbers shows on Figure 5, that is explainable by the fact that in average foreign owners were acquiring bigger firms. Although domestic owned firms are lagging in asset utilization on absolute level, index numbers show a slightly higher increase in asset per employee ratio increasing for domestic owners compared to firms owned by foreigners.

[**Figure 5** – Change in assets per employee]

M&A effect on equity per employee ratio is shown on Figures 6 and 7. Since the observed period stretches for five years following the acquisition, we can notice a tendency of foreign owned firms showing highest equity per employee ratios. Explanation for those trends may lie in a stronger financial position of foreign-owned firms compared to domestic ones, but also in the transfer of know-how or the position of entrance to new markets for the acquired firms. This issue needs to be further explored in future.

[**Figure 6** - Equity per employee (average)]

Noticeably higher equity per employee ratios of firms acquired by foreign owners are indicating that considerably more fresh financial capital was injected in those firms in latter observed years.

[Figure 7 – Change in equity per employee]

Assuming that companies would not be laying-off in periods of business expansion and while performing well, we note that in terms of revenues (an indicator of expansion or contraction) both categories of firms, regardless of ownership showed an average increase in revenues. However, revenues per employee (Figure 8 and 9) ratio have followed trends of the previous indicator and confirmed that firms acquired by foreign owners accomplish higher labor productivity ratios than domestic owned firms. Trend lines are almost parallel through most of the observed time span, which indicates that foreigners have acquired firms with higher revenue per employee ratio and succeeded in maintaining that advantage.

[**Figure 8** - Revenues per employee (average)]

[**Figure 9** - Change in equity per employee]

The last indicator shows ratio between firm's profit/losses and number of employees (Figure 10). These results are not so conclusive.

We speculate that a negative ratio in years prior to takeover for firms acquired by foreign owners reflects huge losses in few big firms in sample. In fact, acquisition was performed in order to avoid bankruptcy. In the post acquisition period, the trends of both observed groups show stability.

However, those trends might also be the result of the small number of the firms in the sample. We do have some concerns due to the small size of the sample and due to the period of observation. It is possible that the profits of some firms in the sample compensated for the losses of others. A further analysis is needed to address this point.

[Figure 10 - Profit/losses per employee (average)

M&A processes have shown often to be unsuccessful in accomplishing operational efficiency gains.[41] Analyses of this sample

[41] Numerous empirical studies are showing that M&As are often unable to create value for firm

confirmed gains in many aspects of firm's performance like labor productivity and revenue increase which together with equity and assets increase indicate owner's effort in gaining performance enhancement of acquired firms. However, financial result does not always follow the trend.

It seems that the data confirms the hypothesis that acquisition increases efficiency in terms of higher labor productivity by increasing revenues. Acquirers tried to increase financial pool of resources of acquired firm (demonstrated in our research through increase in equity and assets). It is possible to conclude that the acquisition proved beneficial for acquired firms, irrelevant of the type of owner acquiring the firm.

We didn't conduct any statistical analyses on this stage, but descriptive data seem to indicate a slightly better impact of the foreign owners on performance of employment of acquired firms. However, financial outcome (as analyzed so far) do not confirm these general conclusions.

4. Conclusion

In the paper we presented the results of a broader research of impact of in-coming cross-border M&As on national firms and economy through their impact on employment. We start with an overview of present concerns expressed worldwide about the impact of incoming FDI on national economies, motives of multinationals', motives and power issues that arise once they attain control over national firms. International experience, from developed and developing countries is valuable as a source of methodological models for researching the net impact of FDI

For the time being, and when looking at a sample of tradable firms, we find no evidence that foreign owners are less socially sensitive than domestic owners. Unfortunately, we did not have available data for the past two years and we do not know whether foreign owners have withdraw their equity during the economic crisis.

In the future we plan to continue our research on social implications of different types of owners as described in the paper. Other issues to be studied in the future comprise: issues of market power and its regulation, particularly when speaking of infra-structural companies (natural monopolies and the financial industry); technology transfers; cross-border trade through affiliates, etc.

---

owners. Some claim that only 20% of M&A accomplish to do so (Gates, Heimerik and Zollo, 2006, p.3). Empirical study conducted over acquired Croatian firms indicates gains in financial result for few points over 50% of sample firms (Vretenar, 2010, p 112).

References:

Aguilera, Ruth V, Adina Dabu (2003): The transformation of Employment Relations Systems in Central and Eastern Europe, working paper, European Union Center, University of Illinois at Urbana-Champaign

Ayadi, Rym and Karel Lanoo (2006): Towards further Consolidation in the Financial Services Industry, Note prepared for the hearing of the ECON, European Parliament, Centre for European Policy Studies (CEPS)

Becht, Marco (1997): The Separation of Ownership and Control: a Survey of 7 European Countries, European Corporate Governance Network, Executive Report, European Corporate Governance Network, Brussels

Brown, J. David, John S. Earle, and Álmos Telegdy (2004): Does Privatization Raise Productivity? Evidence from Comprehensive Panel Data on Manufacturing Firms

in Hungary, Romania, Russia, and Ukraine, Upjohn Institute Staff Working Paper 04-107, W.E. Upjohn Institute for Employment Research

Čučković Nevenka: Proces privatizacije i restrukturiranja poduzeća, Strategija razvitka Republike Hrvatske, «Croatia in the 21st century» - a strategic document on national development of the Goverment of Republic of Croatia

Enderwick, Peter (2005): Attracting «desirable» FDI: theory and evidence, Transnational Corporations, vol. 14, no. 2, United Nations, New York and Genewa

Gates, Stephen, Koen Heimeriks and Maurizio Zollo (2006): Building M&A Integration Capabilities: How Serial Acquirers Become Master Acquirers, SGM working paper

Kaštelan Mrak, Marija, Danijela Sokolić and Nenad Vretenar (2007): Post-Acquisition Performance of Croatian Companies Acquired by Foreign Owners, Economic Integration Prospects and Dilemmas: research monograph, Ekonomska fakulteta, Ljubljana

Kummer, Christopher (2007): Mergers and Acquisitions (M&A) in South Eastern Europe (SEE), 2000-2007, MANDA Institute, Vienna

Martynova, Marina, Sjoerd Oosting and Luc Renneboog (2006): The Long-Term Operating Performance Of European Mergers And Acquisitions, Tilburg University and European Corporate Governance Institute (ECGI)

Nephew, Erin, Jenifer Koncz and Michael Mann (2005): Cross-Border Trade in 2004 and Sales Throught Affiliates in 2003, U.S. International Services

Sohinger, Jasminka (2004): Transforming Competitiveness in European Transition Economies- The Role of Foreign Direct Investment, Institute of European Studies Visiting Scholar, University of California, Berkley, USA

Vretenar, Nenad (2010): Vlasničke integracije u funkciji uspješnosti hrvatskih poduzeća, Magistarski znanstveni rad, University of Rijeka, Faculty of Economics, Rijeka

Whitchard, Obie G. (2004): Multiple Indicators For Multiple Uses- United States Statistics on Foreign Direct Investment, Bureau of Economic Analysis, U.S. Department of Commerce

Žigman, Ante (2000): Strategija prema prihvaćanju izravnih inozemnih investicija u kontekstu prilagođavanja kriterijima EU, Strategija razvitka Republike Hrvatske, «Croatia in the 21st century» - a strategic document on national development of the Government of Republic of Croatia (http://www.hrvatska21.hr/testuale/prezentacija.pdf)

... Gospodarska kretanja (2011), No. 02, Hrvatska gospodarska komora, Zagreb

... Gospodarska kretanja (2010), No. 01, Hrvatska gospodarska komora, Zagreb

.... Statistical Yearbook of Republic of Croatia (2010) (http://www.dzs.hr/Hrv/publication/stat_year.htm)

…World Economic Situation and Prospects (2006), United Nations, New York (http://www.un.org/esa/policy/wess/wesp2006files/wesp2006.pdf)

…World Investment Report (2005): Transnational Corporations and the Internalization of R&D, United Nations, New York and Geneva (http://www.unctad.org)

…World Investment Report (2004): The Shift Toward Services, United Nations, New York and Geneva (http://www.unctad.org)

…World Investment Report (2003): FDI Policies for Development: National and International Perspectives, United Nations, New York and Geneva, 2003 (http://www.unctad.org)

...World Investment Report (2000): Cross-border Mergers and Acquisitions and Development (http://www.unctad.org)

...http://www.crosec.hr/jik/default.asp