Example of the disney pixar merger case study

Business, Company

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Introduction

Acquisitions and mergers are an increasingly rapid means by which organizations use as an efficient and quick manner to diversity, expand and foray into new markets. Mergers and acquisitions are a manner in which firms make economies of scale, acquire new competencies, spread risk and globalize to dominate already existing markets and enter new markets (Verma & Verma, 2011).

Take the instance of the merger between Pixar Animation Studios and Walt Disney. It is one of the rare instances where the merger between two organizations has helped both firm to survive in the global market. Previous movies of Pixar were released by Disney but their contract was about to end prior to the release of a film by Pixar, Cars. The merger in fact helped both organizations to collaborate easily and freely by producing great movies like Up, Wall-E and Bolt.

One of the success factors behind successful mergers is the element of time. The objective of both firms needs to be fulfilled and the merger and acquisition advisory organization has the authority to control the results of the goals of the clients. The Disney – Pixar merger had a successful element of time which eventually benefitted both the firms.

Another factor behind the successful merger of Disney – Pixar is that these are related business enterprises and both of them have developed animated films. Post merger, the creativity of Pixar had led to enhanced quality of the cinematic results as done previously by Pixar. On the other hand, the merger with Disney helped Pixar as it led to a wide range of distribution network for the films released by Pixar post merger. The merger of both the organizations helped both firms to evade augmented power of the market and future competition from rival firms.

Other major factor which contributed to the success of the Disney – Pixar merger is that of transformational leadership, creating organizational learning and devising learning teams, creating a culture of learning in the organization and creating a sense of shared strategic mission and vision. Transformational leadership is of utmost importance with reference to the Disney – Pixar merger. One of the significant functions is played by leadership post any mergers and acquisitions. Leaders play a pivotal role in avoiding confusion and chaos and at the same time restructure the organization by establishing clear structures which are beneficial to the merger. At the same time, the leader is the person who drives growth especially post merger situations for a firm to soar ahead by evading competition (Bratianu & Anagnoste, 2011).

Hypothesize Toshiba – Panasonic merger

Toshiba is a Japanese electronics and engineering organization with its head office in Tokyo. The markets and manufactures electrical products for communication and information systems and data, power systems, internet solutions, electronic appliances, industrial infrastructure solutions and household products.

On the other hand, Panasonic is also a Japanese organization headquartered in Osaka. The firm initially sold lamp sockets and has since grown to manufacture semiconductors and televisions.

A merger between both these organizations would prove to benefit both firms. This is because, Toshiba already manufactures household items and a merger between two firms would help in sharing competencies. Also a transformational leadership can shape the future of both companies to stride towards the path of growth by creating learning and knowledge organizations. This is especially true for manufacturing and marketing LCD televisions in which Panasonic is among the top firms globally. In this case, both firms would share knowledge and competencies from each other and would widely benefit from their own global networks. Also the merger with Toshiba will help Panasonic to diversify markets and also distribute a wide range of products. This provides an opportunity for innovation. It of course requires a transformational leader who can clearly ensure that organizational structures are formulated as per revised strategies.

Conclusion

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