

The Role of Effective Leadership Style in Successful Merger and Acquisition Growth Strategy of Ecobank Ghana

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Abstract

The study examined how effective leadership style assisted in motivation employees of Ecobank Ghana towards the successful implementation of its merger and acquisition growth strategy. In conducting the study, purposive sampling technique was adopted to select key officials of the bank, key managers and supervisors of the bank whose leadership styles influenced employees to work hard towards turning the new consolidated bank around. Out of 120 questionnaires distributed, 104 returned safely which enabled the relevant to be collated and analyzed for strategizing the direction of the study. The study noted transactional, laissez-faire and transformational leadership styles were all brought on board to assist employees of the bank work hard towards achieving set targets thereby improving upon their financial performance. The relevance of the study lies in the fact that with the new minimum capital adequacy level increased by the central bank of Ghana from US\$20 million as at December 2012 to US\$100 million by December 2017, a lot more banks in the country have been slated for integration and will therefore need strong leadership styles to enable them to successfully undertake their mergers and acquisitions exercise.

Keywords: Leadership styles, organizational performance, mergers and acquisition, staff motivation.

Introduction

Companies worldwide have successfully used acquisition and mergers as strategies for achieving their developmental agenda. A few banks in Ghana have capitalized on this strategy to extend the scope of their operations within the last five years (Oduro and Agyei 2013). Players in the financial service industry continue to post huge profit and some have attributed this to the mergers and acquisitions that recently characterized the banking landscape of Ghana. Globally, organizations especially the corporate environments are capitalizing on mergers and acquisition to leverage on their strong leadership styles and human capital to increase their performance in the industries within which they find themselves (Sufian and Habibullah 2009).

For instance, in Nigeria the central bank recently came up with a directive which increased the minimum operating capital. A number of Commercial Banks sensed their limitation in meeting the new capital adequacy level and therefore the only option exercisable is to enter into a merger and acquisition (Adebayo and Olalekan, 2012). Ghana has also had its first share with banks undergoing merger and acquisition in order to enhance their capital base, human capital thereby competing more effectively in the industry. Of the three banks that embarked upon merger and acquisition, Ecobank appeared to be the most successful and this was large attributed to the leadership styles being exhibited by management members of the bank. Just before the demise of the last quarter of 2017, i.e. in the second week of September 2017, the central bank came up with new directives scaling up the minimum capital adequacy level from existing state of US\$20 million to a whopping US\$100 million which is way beyond the means of about 50% of industry players. A good number of the affected have proposed to the central to undergo mergers and acquisition strategies in order to consolidate their assets to remain operational in the industry. There is therefore the need to investigate how Ecobank succeeded in merging with the defunct Trust bank using effective leadership styles.

Objective of research

The study objective of the study is to examine how leadership style at Ecobank Ghana was used to influence employees towards working hard to improve upon financial performance of the bank under its growth strategy of mergers and acquisition. Specific research objectives include:

- To evaluate how leadership style influenced employee performance within a Merger and Acquisition growth strategy of Ecobank Ghana.
- To examine how leadership style was used to enhance financial performance under Ecobank's growth strategy of merger and acquisition.
- To identify further strategies for improving upon leadership style in order to enhance employees performance under a merger and acquisition strategy.

Hypothesis

H₁ Leadership styles are relevant in ensuring sound financial performance in an M&A growth strategy.

H₂ Effective leadership style is responsible for its enviable financial performance at Ecobanks.

H₃ Effective leadership is indispensable for any successful M&A growth strategy in an organization.

Statement of the problem

In 2008 the central bank of Ghana came out with a directive instructing all commercial banks to step up their capital adequacy levels to the minimum of US\$20 million by the end of 2012, in other words within four years time. In mid-September 2017, i.e. about five years on, the central bank has again increased the capital adequacy level from the US\$20 million position to US\$100 million. Even with the last increment, some banks had to merge in order to avoid being liquidated. This time around, 15 out of the 29 banks sensed their limitations in meeting the new minimum operating capital level and have therefore written to the central bank to allow them to undergo mergers and acquisitions. Owing to weak leadership styles, some previous banks did not perform too well when they emerged although Ecobank came out strongly, in financial performance as a result of effective leadership style. Merging two organizational cultures is not an easy undertaken and this is something that the 15 banks are contemplating on doing. There is the likelihood that the stronger of the merged groups will have its workers receiving better treatment in terms of emolument than others leading to organizational friction and its concomitant effect on productivity. It is difficult to evaluate how the turn of events will be for these banks which are planning to amalgamate their operations will be. Some study of the Ecobank success story is therefore necessary to guide these banks which are now going to integrate their operations and herein lies the thrust of the study.

Literature review

Theoretical framework on leadership

Leadership means different things to different people around the world, and different things in different situations. According to Brode (2012), leadership is the act of inspiring subordinates to perform and engage in achieving a goal. Unlike management, Kieu (2010) argues that leadership cannot be taught, although it may be learned and enhanced through coaching or mentoring. Someone with great leadership skills today is Bill Gates who, despite early failures, with continued passion and innovation has driven Microsoft and the software industry to success.

In the opinion of Kouses & Posner (2007), effective leadership also involves motivation, management, inspiration, remuneration and analytical skills. When all these are present, the organizations record increased employee satisfaction that positively that positively influences the productivity and the profits. The positive effect of leadership on organizational performance was measured by some researchers through human resources (turnover rate and job performance), organizational effectiveness (cost and quality) and financial performance (market share, profit, return on asset).

According to Moore (2007), leadership best practices are a powerful way to enhance individual growth and development, customer experience, employee performance, and organizational productivity. To increase the organizational performance a leader must have the ability to promote creativity and innovation, stimulate the subordinates to challenge their own value systems and improve their individual performance. A number of studies on leadership styles (Bass & Riggio 2006) suggest that the practices of the transformational leadership have a positive impact on the organizational performance.

Understanding the connection between transformational leadership and the organizational performance is an important factor for the development of effective organizations. Finding the methods to increase the performance of the employees is an important task for today's leaders (Chen & Barnes, 2006).

Theoretical and empirical literature on mergers and acquisition

Merger is defined as an arrangement whereby the asset of two companies become vested in or under the control of one company (which may or may not be one of the original two companies), which has all or substantially all, the shareholders of the two companies (Weinberg and Blank 1979). Gaughan (2002) opined that merger is a combination of two companies in which only one company survives and the merged company ceases to exist, whereby the acquiring company assumes the assets and liabilities of the merged company.

Companies adopt M&A as growth strategy for different reasons. Hopkins (1999) classified the motives of M&A suggested in prior studies as four distinct but related motives: strategic, market, economic, and personal motives. Strategic motive is concerned with improving the strength of the firm's strategy, example, creating synergy, utilizing a firm's core competence, increasing market power, providing the firm with complementary resources, products and strengths. Market motive aims at entering new markets in new areas or countries by acquiring already established firms as the fastest way, or as a way to gain entry without adding additional capacity. Establishing economics of scale is included in economic motive; the agency problem and management hubris are included in personal motives.

Two main theories underpin the various reasons for M&A: value creation theories and redistribution theories (Berkovitch and Narayanan 1993, Frederikslust et al. 2000, and Vijgen 2007). *Value Creation theory* postulates that managers look after the interest of the shareholders since they strive to create surplus value. From an economical point of view, M&A makes sense when there is synergy; the value of the merged part is greater than the sum of the target and bidder alone (Vijgen, 2007). *Redistribution theories of Merger* comprise the hubris and the agency theories. The *hubris* theory supposes that managers are overconfident in their own ability of running a firm.

Although they pursue synergy in order to maximize the shareholder value of the firm, the synergy value is not as high as they expect because they suffer from an inflated ego (Frederikslust et al., 2005). Roll (1986), stated that M&A driven by hubris, in most of the cases, have a surplus value but that this value is lower than the takeover premium. *The agency theory* assumes that managers and shareholders have different interests because management and control of a company are separated. Therefore, managers will not always try to maximize shareholder value but act in their self-interest; pursue private benefits. According to Mueller (1989), empire building is a reason for conducting M&A. A big company gives a manager more status and his salary will also increase hence, managers do not strive to maximize the shareholder value of the company but pursue their own goal. Another reason for undertaking M&A is free cash flow. This money could be paid out as dividend to shareholders. However, in the agency theory this money will be used to acquire a company to satisfy the desire of managers.

Many studies have empirically examined the impact of M&A on corporate financial performance. Studies based on analysis of accounting data have attempted to assess the economic impact of M&A by testing for changes in the profitability of the merged firms (Altiok-Yilmaz 2011) and the results are inconsistent. Some studies reported improved performance after merger event. For example, Ismail et al. (2010) found that some measures of corporate performance, such as profitability, suggest statistical significant gains in the years following M&A. Studies conducted by Lau et al. (2008) which compared

pre-merger performance with the post- merger provided some evidence that mergers improve the post-merger operating performance.

Justification of the study

The findings of the study will not only add to existing body of study on how leadership style has been used to positively influence financial performance of banks in developing economies like Ghana but it will also go a very long way to help banks that are in the process of integrating their operations in order to avoid being liquidated by the central bank of Ghana. The findings will guide leaders of these banks which are planning to merge on how they should carefully harness and motivate the potentials of the two groups of employees that are likely to come on board to help strategize the direction of their new corporate entity. The central bank of Ghana could also use some aspect of the findings as tools within its supervisory apparatus to ensure sound co habilitation of all emerged banks. Furthermore, banks in other developing countries especially within the sub region which might be privy to the findings of the study will compare notes and take the necessary remedial measures.

Methodology

Research design

Since the study attempted to investigate how leadership style was employed by Ecobank management to influence employees to work hard resulting in successful mergers and acquisition growth strategy. It was appropriate to adopt the descriptive research design which according to Adler & Clark (2008); Babbie (2013) focuses on how things are rather than why they look the way they do. On research design itself, research scholars like Zikmund and Babin (2010) see it as a road map or a blue print which guides the researcher towards picking up answers to research questions which emanated from research objectives.

Population of the study

The target area is Ecobank Ghana which is the leading bank in Ghana with the largest assets base as at 31st December 2016. The respondent base of the study was made up of key officials who are also leaders of such departments as corporate department, marketing department, treasury department, international trade department and finance department, who contribute in no small measure towards the success of the merger and acquisition exercise. The corporate department for instant monitors and administers commercial loans given out by the banks. The treasury department ensures that the liquidity levels of the bank are always adequate to cover the demands of stakeholders. The marketing department endeavours to bring in valuable customers whose borrowing propositions assist in growing liquidity levels of the bank. The international trade department also deals in letters of credit for exporters and importers and such endeavours also rope in adequate funds to beef up liquidity management efforts at the bank. The aforementioned key officials also constitute the membership of Ecobank's Assets Liability Management Committee (ALMC). One should quickly add that the ALMC is charged with the liquidity management functions of the bank and therefore is responsible for the overall success story of the bank.

Sampling /sampling technique

In the opinion of the researcher, the kind of information needed to meet the objectives of the study can mainly be found with certain executives of these banks and therefore there was the need to employ purposive sampling technique to directly approach these officials for their views on the study. Dawson (2002) and Booth et al (2012) all indicate that, purposive sampling is also known as Judgmental or non-probability sampling technique in which an experienced individual selects a sample based on personal judgment about some appropriate characteristics of the sample member. Perhaps it might be worth noting that these respondents, upon understanding the purpose of the study, decided to participate although they did not constitute a fair representation of the population under consideration.

Research instruments

The questionnaire technique was adopted as the main research instrument. The choice was informed by the fact that it enabled respondents to use their leisure periods to co-operate with the study. Furthermore the potential respondents are all well educated people who should be able to read and understand the dictates of the questionnaire. Some of the key questions were: how did leadership styles influence employee's aptitude towards increasing productivity to ensure the success story of the Ecobank's Mergers and Acquisition strategy and how M&A benefited the banks by way of financial performance as well as identifying further leadership styles strategies that can be emulated to improve upon the bank's performance following their merger and acquisition. Respondents were also asked in their views what role they think culture at the workplace play in ensuring successful merger and acquisition process. Also featuring are questions on the influence of leadership on organizational culture and productivity after the bank embarked upon M&A process as well as challenges management of the bank encountered in implementing the M&A processes. Also featuring are some figures to evaluate the bank's performance of employees to compare productivity before and after the acquisition process.

Questionnaire administration

Having gone through the necessary protocol at the headquarters, such as establishing the researcher's credentials and indicating the rationale behind the study to the HR directorate the researcher requested for the list of departmental leaders by way of managers, supervisors whose duties entail planning, executing, monitoring and evaluating the progress of Mergers and Acquisition implementation at the headquarters and the branches. The research examined the list and ascertained how many of them are at the head office and the number at the branch level. This helped in formulating a plan on who to pick up what kind of information based on the dictates of the questionnaire. Care was exercised to ensure that employees of the acquired bank are fairly represented in the administration of the questionnaire. Having decided on the respondents to approach the researcher met these officials personally to establish the necessary fraternity and also pick up the personal phone numbers in order to aid the monitoring process of the study. Fourteen days was agreed upon with each respondent within which the respondents were expected to complete answering the questionnaire.

Data collection strategy

A two-week period arrangement was worked out with the respondents under which each respondent had to complete his or her questionnaire. At the appointed time the researcher personally went round to pick up the answered 'scripts'. Adequate care was exercised to ensure that all relevant questions were properly answered by the respondents except areas that were not applicable to particular respondents. Although most of the answered scripts were retrieved at the banking premises, some had to be returned at social gatherings such as church halls, children's school premises and funeral grounds. In all these, sound arrangements were made to ensure that productive time was not wasted. The telephone facility was very helpful in getting these arrangements underway.

Data analysis

The Statistical Package for Social Science (SPSS) was employed to facilitate the analysis of data captured from the field. Tables, graph have all been neatly featured in the appropriated sections of the report.

Findings

This segment has been arranged in accordance with research objectives. It therefore begins with how leadership style at Ecobank enhances employee's performance leading to the successful implementation of its merger and acquisition growth strategy.

Analysis of issues relating to how leadership style at ecobank influenced employees' performance during their mergers and acquisition strategy

This section presents the findings in respect how leadership style at Ecobank shored up employees performance leading to successful turnout of its merger and acquisition growth strategy. This has been enshrined in table 1.

Table 1. Frequency table showing leadership style of managers and supervisors which assisted Ecobank to successfully implement its M&A strategy

Leader ship style	Leadership behaviour	n	Minimum	Maximum	Mean	Standard deviation
Transactional	Contingent reward	104	1.00	5.0	4.41	.887
	Management-by-exception: active	104	1.00	5.0	4.03	1.032
	Management-by-exception: passive	104	1.00	5.0	4.21	1.042
Laissez-faire	Laissez-faire	104	1.00	5.0	3.90	1.012
Transformational	Intellectual stimulation	104	1.00	5.0	3.05	.964
	Idealized influence	104	1.00	5.0	3.11	1.051
	Inspirational motivation	104	1.00	5.0	2.14	.943
	Individualized consideration	104	1.00	5.0	2.67	1.401

Source: Field survey (2017).

Table 1 shows that 3 leadership styles notably, transactional leadership style, laissez-faire and transformational were tested as to how leadership at Ecobank really influenced employee productivity resulting in successful implementation of its M&A growth strategy. Under transactional leadership style, behaviours evaluated were contingent reward, management by exception through active involvement and management by exception employed passive involvement. It turned out that contingent rewards with mean score of 4.41 and standard deviation of 0.887 happened to be the most popular leadership behaviours which encouraged employees to put up their best. Under this kind of leadership style or behaviour, team work was encouraged and winning teams were accorded the necessary bonuses as means of motivating them to work harder.

It also came to light that leadership behaviour of management by exception through the active participation followed with a mean score of 4.02 and standard deviation of 1.032. Here, managers and supervisors of the bank issued out instruction and were actively in ensuring that such directives paid off as anticipated. Ranking third with a mean score of 4.21 and standard deviation of 1.042 was the leadership behaviour of management by exception through passive involvement. Here, instructions have been documented in the banks operational manual and employees are expected to be guided by the provision of these instruments. This is particularly in risky areas of the bank's operations where care has been exercise to ensure that directives are not infringed which could cause serious loses to the bank.

The leadership behaviour of laissez-faire came fourth in ranking with a mean score of 3.90 and standard deviation 1.012. Here, employees have to consult supervisors and managers on issues that do not seem clear to them. This management behaviour paid off since it resulted in loss minimization leading to increase in bank's financial performance. Under transformational leadership style, four management behaviours notably intellectual stimulation, idealized influence, inspirational motivation and individualized consideration were evaluated. Idealized influence came on top with a mean score of 3.11 and standard deviation of 1.051. Under this management behaviour, employees often learned the

prudential way their supervisors and managers (leaders) conducted their affairs at the bank and use the same system to undertake similar projects.

This way, the leaders' behaviour influenced the way they conducted their assigned responsibilities thereby resulting in successful turnout of operations. Coming second under the transformational leadership is the intellectual stimulation with a mean score of 3.05 and standard deviation of 0.964. Under this leadership style, employees are challenged to use their discretion in certain areas of operations and this turn out to be very successful. Individualized consideration with mean score of 2.67 and standard deviation of 1.401 under transformational leadership also happens to be some of the leadership styles exhibited at Ecobank Ghana which assisted management in improving upon its financial performance after acquiring the defunct Trust bank under a M&A arrangement in October 2012. The leadership style of inspirational motivation with mean score of 2.14 and standard deviation of 0.943 happened to be not too popular management behaviour exhibited at Ecobank. Generally under this leadership style, employees mimic or emulate the shining behaviours of their managers and supervisors and this inspires them to work hard even when remuneration or emolument conditions have changed much.

Views on how leadership style influenced employees' attitude towards productivity under the M&A strategy

Findings on how leadership style influenced employees' attitude towards productivity under mergers and acquisition strategy have been presented in table 2.

Table 2. Frequency table on views on how M&A enhance employees' attitude towards productivity

Views on leadership styles influenced employee's productivity	Frequency (Out of 104)	Percentage (%)	Ranking
The leadership style harmonized two different work cultures which have helped to improve employee's happiness necessary to enhance productivity.	86	82.7	1
Synergy emanating from integrating workforce through good leadership style, led to delighting customers' thereby increasing retention and productivity.	67	64.4	2
Through good leadership style, employees of absorbed companies relatively receive higher salaries which make them work better to promote productivity.	64	61.5	3
Owing to good leadership styles, employees of the acquired bank did not feel marginalized leading to all employees working hard to better achieve corporate goals	59	56.7	4
Owing to good leadership styles, in terms of emolument, all employees are better off and this should enhance productivity.	57	54.8	5

Source: Field data (2017).

From Table 2, it can be gathered that, in the view of 86 (82.7%) respondents, the leadership style harmonized two different work cultures which have helped to improve employee's happiness necessary to enhance productivity. This had the first ranking. The second ranking reflected the views of 67 (64.4%) respondents who noted that synergy emanating from good leadership styles stimulating workforce usually delight customers' thereby increasing retention and productivity. Ranking third were the views of 64 (61.5%) respondents who indicated that owing to good leadership styles, employees of absorbed companies relatively receive higher salaries which make them work better to promote

productivity. The views of 59 (56.7%) respondents reflected the fact that owing to good leadership styles, employees of the acquired bank did not feel marginalized leading to all employees working hard to better achieve corporate goals. Their views were ranked fourth. Ranking fifth was the view articulated by 57 (54.8%) respondents that in terms of emolument, good leadership style ensured that all employees are better off and this was largely responsible of the apparent success story of Ecobank's M&A growth strategy.

Analysis of how leadership styles influenced employees' productivity under ecobank's M&A growth strategy

The study deemed it appropriate to compare how leadership style influenced productivity per employee before and after the bank embarked upon mergers and acquisition. Here, an attempt was made to look at how each employee contributed towards the net interest income which constitutes the turnover of the bank. The net interest income was divided by the number of employees to arrive at productivity per employee. Results have been presented here-under.

Productivity per employee of ecobank

Figures obtained from financial statements of various years of Ecobank to facilitate the calculation of productivity per employee have been shown on tale 3.

Table 3. Figures for calculation of ecobank's productivity per employee (Quoted in thousand cedis)

Indicators	Before			After		
	2010	2011	2012	2013	2014	2015
Net interest income	113,843	128,600	270,191	389,554	555,720	682,241
No. of employee	798	890	1,430	1,485	1513	1,536
Productivity per year	142.660	144.500	188.945	262.325	367.300	444.167

Source: Financial statement of various years.

Ecobank acquired the defunct Trust Bank in the last quarter of 2012 and this is reflected in the leap in employee size from 890 in 2011 to 1430 in 2012. It is therefore essential to compare how leadership style influenced productivity per employee for the period before and after the acquisition. Table 3 shows clearly that productivity per employee was much higher for Ecobank after the acquisition of Trust Bank. This clearly illustrates the notion that the leadership styles adopted by Ecobank have been beneficial and highly worthwhile. The pre and post-acquisition comparison of productivity has been depicted by figure 1. The growth in net interest income of Ecobank could not have resulted from inflation since inflation fluctuated over the period from 2010 to 2015. Moreover the bank also pays interest on fixed deposits and other financial assets accessed by customers and therefore there was some sort of compensation or set off between interest received and interest paid. The increase in net interest income certainly emanated from good leadership which resulted in the bank opening more branches and for that matter reaching out to more valuable customers with products and services. Perhaps it might be worth adding that its branch size rose from 51 as at 30th September 2012 when Trust bank was taking over, to 76 branches on 31st December 2016.

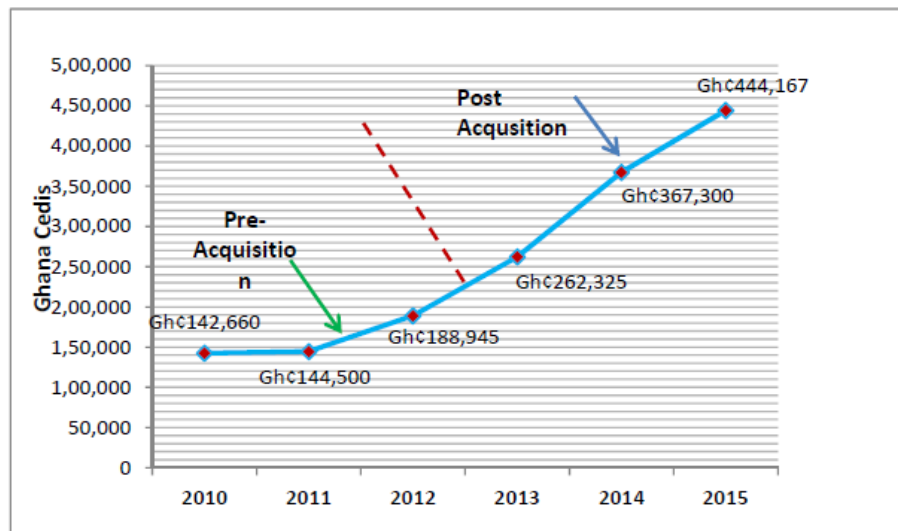


Figure 1. Graph of employee productivity of ecobank

Source: Analysis of field data (2017).

Figure 1, shows that management style in implementing the acquisition strategy, as a growth policy enabled the bank to assert its leadership position in the local banking industry. Calculated net interest income per employee, which was below GH¢200,000 per employee in the pre-acquisition from the period between 2010 and 2012 suddenly shot up to over GH¢260,000 to GH¢262,325 in 2013; GH¢367,300 in 2014 and GH¢444,167 in 2015. The branch size of the bank also moved up from 52 to 81 by the close of 2016.

Analysis of Issues relating to how leadership style influence financial performance of the bank under the M&A growth strategy of banks

Discussed under this segment is the analysis of how leadership styles influenced the financial performance of bank. Financial indicators examined are Net Profit Margin, Cost to Revenue Ratios, Return on Asset and Return on shareholder's funds, etc.

Financial performance of ecobank ghana

Profitability Trends of Ecobank 2 years before and 2 years after the M&A strategy, has been featured in Table 4.

Table 4. Financial indicator of ecobank

Indicators	Before		After	
	2011	2012	2013	2014
Cost to Revenue	53%	53%	44%	48%
Profit before Tax Margin	44.4%	45.4%	44.9%	48.8%
Return on Assets	3.3%	4.2%	4.0%	5.5%
Return on Capital	27.9%	31.4%	33.4%	39.5%

Source: Banking survey, ghana PWC (2015).

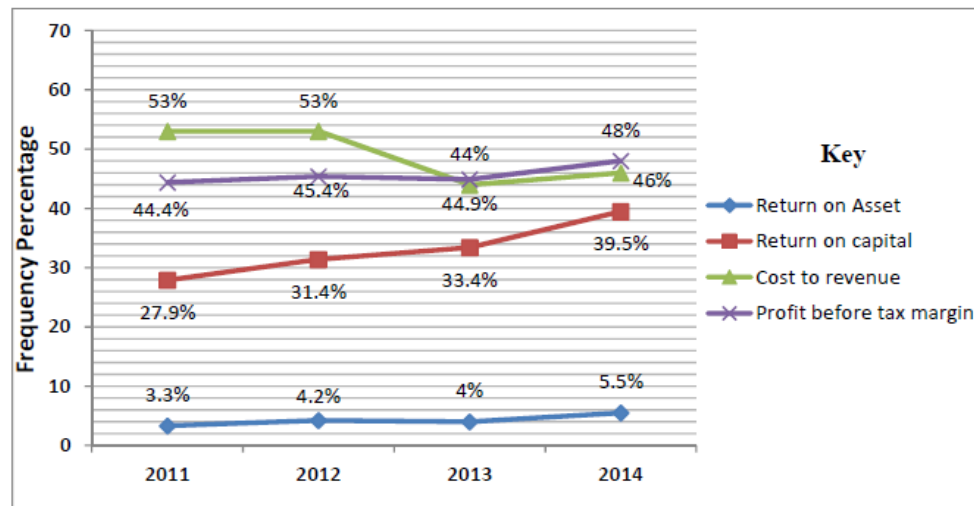


Figure 2. Profitability graphs of ecobank ghana

Source: Field data (2017).

Ecobank acquired the defunct Trust Bank during the last quarter of 2012. It was therefore appropriate to examine two years before and two years after the acquisition process. Figure 2 shows that Ecobank's cost to Revenue ratio improved after the acquisition process. It reduced from average of 53% in 2011 and 2012 to 44% in 2013 and 46% in 2014. This presupposes that profit should increase over the period. Surprisingly the profit for the period only fluctuated without reflecting the gains made in reduction in cost to revenue ratios. It inched up from 44.4% in 2011 to 45.4% in 2012. It came down slightly to 44.9% in 2013 and shot up to 48.8% in 2014.

Return on Asset which shows how well leadership style has turned around the resources at its disposal improved appreciably over the period. It moved from 3.3% in 2011 i.e. prior acquisition period to 5.5% in 2014 i.e. post-acquisition period. This was slight higher than the industry's average of 5.1 for 2014 (PWC, 2015). Return of shareholder's fund also increased tremendously in the post-acquisition period than the pre-acquisition era. The ratio increased from 27.9% in 2011 to 31.4% in 2012 and further attained a 2% increment to 33.4% in 2013 and eventually shot up to 39.5% in 2014. The appreciation in the return on shareholder's funds clearly demonstrated that the leadership styles which influenced the adopted M&A growth strategy of the bank have positively influenced its financial performance.

Discussion of findings

It came out unequivocally that management of Ecobank exhibit various forms of management styles notably, transactional leadership, laissez-faire as well as transformational leadership styles which enable them to successfully implement the acquisition of the defunct Trust bank as a growth strategy. The study noted that among management behaviours under transactional leadership style were the use of contingent reward, management-by-exception: passive as well as management-by-exception: active. These enabled the employees to examine their allotted responsibilities in the light of instructions handed down by their supervisors and managers. The contingent rewards management staff for instance was also seen by Brode (2012) as an effective way of motivating team work to perform in the service industry such as a bank.

This kind of leadership style in the opinion of Kadhim et al (2012) encourages individual members within a team to perform because the harder they all perform, the more likely they will win the bonus at stake. On laissez-faire leadership style Moore (2007) did not mince words in explaining that it gives employees the option of referring any unclear instruction back to the manager or supervisor for clarification prior to implementing such directives. Although transformational leadership styles were not too popular with Ecobank as evidenced by low mean scores, the exhibition of idealized influences as well as intellectual stimulation help the employees to take control of themselves and in most cases use their discretions to settle issues which were later defended admirably.

According to Kieu (2010) transformational leadership behaviours have the propensity of strengthening the capacity of subordinates to take up leadership positions within shorter periods. This is corroborated by Kouzes and Posner (2007) who pointed out in similar study that service sector managers who deployed transformational leadership often have their subordinates doing much better in their absence than in corporate entities where transformation leadership styles are played down. The findings that Ecobank was able to capitalize on good leadership to harmonize two different work cultures appeared highly commendable. Armstrong (2006) point out that bringing two different cultured organizational groups together could be a difficult task and for that matter managers and supervisors should endeavour to wield the requisite leadership skills for ensuring that employees easily understand and operate laid down regulations.

The study also found out that when two different organization cultures are brought on board, both positive and negative tendencies come into play and these can be properly monitored and sharpened to assist in achieving the corporate objectives using strong leadership styles. This finding was also came up in a similar study by Raiyami (2010) which examined the leadership styles and their effect within some service organizations which have undergone M&A in India. The source explained further that employees often see the enhanced entity as a bigger organization with larger assets base and more solid liquidity position as well as having relatively more branch size thereby leveraging these benefits to delight and retain customers.

Customer retention is an important asset in the service industry especially the banking industry where, according to Onalapo et al., (2012) leadership skills are required to cut cost thereby offering products and services at competitive prices to attract and retain new customers. This finding also came up for discussion in a study initiated by Oghojafor and Adebisi (2012) which revealed that owing to strong leadership styles, some employees of banks in Nigeria which were taken over by stronger banks had their salaries increased by up to 100% and this boosted their morale thereby working harder than previously to ensure that target sets are achieved if not exceeded. Generally, Kithitu et al., (2012) are with the conviction that M&A strategies under strong leadership styles, work better in banks when employees in consolidated banks are exposed to enviable emoluments with fringe benefits. This according to the group of authors ensures that the environment is fertile for productivity to spring up appreciably. It was therefore recommended that any move towards acquisition in the service sector and financial institutions in particular must be guided with the fact that well paid employees facilitate the achievement of corporate goals.

Conclusions

The study can firmly conclude that through the adoption of strong leadership styles by management of Ecobank Ghana towards implementing their merger and acquisition strategy; the bank's fortune has improved tremendously as reflected in its financial statement. By using strong leadership skills to integrate different corporate cultures and enhancing staff salary, employees felt motivated and therefore worked more diligently to improve upon the financial indicators of the bank. The absence of strong leadership style to implement the acquisition process will have resulted in some banks being liquidated and employees thrown to the streets. The central bank was really burnt on carrying out its decision to revoke the operating license of all banks whose operating capital level fell below the then new required minimum capital adequacy level of GH¢60 million (US\$20 million) i.e. by the close of December 2012. With the minimum capital adequacy level hiked again, in September 2017 to US\$100 million, more mergers and acquisition will characterize the banking landscape of Ghana and for that matter the findings in the article is very timely and relevant.

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