

# What Drives the Takeover Process? New Evidence from the Inner Workings of Internal M&A Teams

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## Abstract

This paper provides insights into the inner workings of internal corporate merger and acquisition teams using survey evidence from 65 firms from Austria, Germany, and Switzerland. The responses indicate the growing reliance on a firm's own employees for implementing takeover strategies. Firms are proactive in deal initiation, such that they rely more on their internal analysis to generate investment ideas and less on investment banks. Deals negotiated by CEOs are on average of better quality in terms of announcement returns. Moreover, M&A team factors can explain approximately 45% of the acquirer fixed effects in announcement return regressions.

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