

Survey Construct Measurements

Construct	Questionnaire	Measurement	Source
CFO individual religiosity	<ul style="list-style-type: none"> How often do you think about religious issues?¹ How interested are you in learning more about religious topics?² 	¹ [1] = Never ... [7] = Very often	Huber and Huber (2012) suggest that the 10 items on the left represent the five core dimensions of individual religiosity (intellect, ideology, public practice, private practice and experience). By creating the mean value across all 10 items, we will construct the CFOs' individual religiosity (Huber & Huber, 2012).
	<ul style="list-style-type: none"> To what extent do you believe that God or something divine exists?² To what extent do you believe in an afterlife (e.g., immortality of the soul, resurrection of the dead and reincarnation)?² 	² [1] = Not at all ... [7] = Very much so	
	<ul style="list-style-type: none"> How often do you take part in religious services?¹ How important is it to take part in religious services?² 		
	<ul style="list-style-type: none"> How often do you pray?¹ How important is personal prayer for you?² 		
	<ul style="list-style-type: none"> How often do you experience situations in which you have the feeling that God or something divine intervenes in your life?¹ How often do you experience situations in which you have the feeling that God or something divine wants to communicate or reveal something to you?¹ 		
Management control effectiveness (1)	How important are the following priorities for your firm? <ul style="list-style-type: none"> Improving efficiency Being innovative Adapting to changing business demands Coordinating work between subunits Aligning subordinate actions to organizational goals 	[1] = Very low ... [7] = Very high	Bedford et al. (2016)
	We consider the MCS as the combination of all the control systems and processes used by your firm (e.g., planning, accounting, evaluation/reward systems, structure, management processes, HR procedures and organizational statements and values).		Bedford et al. (2016)

Interactive use of MCSs	<p>To what extent does the top management team in your firm use the management control system for the following:</p> <ul style="list-style-type: none"> • Provide a recurring and frequent agenda for top management activities • Provide a recurring and frequent agenda for subordinate activities • Enable the continual challenge and debate of the underlying data, assumptions and action plans with subordinates and peers • Focus attention on strategic uncertainties (i.e., factors that may invalidate the current strategy or provide opportunities for new strategic initiatives) • Encourage and facilitate dialogue and information sharing with subordinates 	<p>[1] = To a very low extent ... [7] = To a very high extent</p>	<p>Bedford and Malmi (2015)</p>
Diagnostic use of MCSs	<ul style="list-style-type: none"> • Identify critical performance variables (i.e., factors that indicate the achievement of current strategy) • Set targets for critical performance variables • Monitor progress towards critical performance targets • Provide information to correct deviations from performance targets • Review key areas of performance 	<p>[1] = To a very low extent ... [7] = To a very high extent</p>	<p>Bedford and Malmi (2015)</p>
Management control effectiveness (2)	<p>How high is the contribution of your management control system to achieving each of the following priorities?</p> <ul style="list-style-type: none"> • Improving efficiency • Being innovative • Adapting to changing business demands • Coordinating work between subunits • Aligning subordinate actions to organizational goals 	<p>[1] = Very low ... [7] = Very high</p>	<p>Bedford et al. (2016)</p>

M&A activity (1)	<ul style="list-style-type: none"> How many other companies has your company acquired (in part or in full) in the past five years? 	[Number]	Mukherjee et al. (2004)
M&A activity (2)	<ul style="list-style-type: none"> What was the average asset size of the companies you acquired during the past five years? 	< 1 Mio. EUR 1-10 Mio. EUR 11–100 Mio. EUR 101–1.000 Mio. EUR > 1.000 Mio. EUR	
M&A activity (3)	<ul style="list-style-type: none"> Focusing on the companies you acquired during the past five years, what was the relative proportion of the target company's annual sales in comparison to your firm's sales before acquisition? 	< 25% 25–49% 50–74% 75–100% > 100%	Capron (1999)
M&A industry diversification (1)	Please compare your existing business with the target businesses you acquired in the past five years. <ul style="list-style-type: none"> Your products were similar Your technology was similar The types of customers to which you sold were similar You were direct competitors 	[1] not at all ... [7] absolutely	Capron (1999)
M&A industry diversification (2)	Please indicate the extent of your agreement or disagreement. <ul style="list-style-type: none"> An acquisition in a related industry is worth more than an acquisition in a non-related industry. 	[1] strongly disagree ... [7] strongly agree	Mukherjee et al. (2004)
M&A country diversification (1)	Please compare your existing business with the target businesses you acquired in the past five years. <ul style="list-style-type: none"> Your geographical markets were similar 	[1] not at all ... [7] absolutely	Capron (1999)
M&A country diversification (2)	Please indicate the extent of your agreement or disagreement. <ul style="list-style-type: none"> An acquisition in your home country [Austria/Germany] is worth more than an acquisition in another country. 	[1] strongly disagree ... [7] strongly agree	Mukherjee et al. (2004)
Employment security	Having in mind your acquisitions in the past five years, to what extent do you agree with the following statements: <ul style="list-style-type: none"> During the M&A, your company did not layoff employees. After the M&A, your company provided employees with job security. After the M&A, you assigned every employee clear tasks. 	[1] strongly disagree ... [7] strongly agree	Yeh-Yun Lin and Wei (2006)

Social/ethical behaviour towards “sin industries”	Having in mind your acquisitions in the past five years, to what extent do you agree with the following statement: <ul style="list-style-type: none"> The target companies were in sectors that have a high reputation in society. 	[1] strongly disagree ... [7] strongly agree	---
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Control Variables

- **CFO Gender:** What gender do you identify as? [Present selection of generally accepted gender classes]
- **CFO Age:** In which year were you born?
- **CFO Upbringing:** In which municipality (zip code) and country were you brought up? (the zip code can then be used to assess regional religiosity during the CFO’s upbringing and whether they originate from a rural or urban region)
- **CFO Education 1:** What is the highest degree or level of education you have completed? [Present selection of education levels]
- **CFO Education 2:** Do you have a university degree in a business-related subject? [Yes/No]
- **CFO Tenure 1:** How many years have you been working in your current position?
- **CFO Tenure 2:** How many years have you been working in your company? (If CFO Tenure 2 > CFO Tenure 1, we can classify the CFO as “internally promoted” and as “externally hired” otherwise)
- **CFO Primary Religious Orientation:** What is your primary religious orientation? [Present selection of publicly accepted religious communities including Catholic, Protestant and Muslim]
- **CFO Residence:** In which municipality (zip code) and country do you have your main residence? (the zip code can then be used to assess regional religiosity in the CFO’s neighbourhood and whether they reside in a rural or urban region)
- **CEO Religiosity:** How do you assess the individual religiosity of your company’s CEO? (on a scale from [1] = Very low to [7] = Very high)
- **Company Headquarters:** In which municipality (zip code) and country is your company headquarters located? (to verify the archival data on zip codes needed to construct the firm’s score for regional religiosity)
- **Size:** How many people work in your company? [Present selection of size classes]
- **Firm Age:** In which year was the company founded?
- **Family Ownership:** Would you describe your company as a family firm? [Yes/No]
- **Listing:** Is your company listed on any stock exchange? [Yes/No]
- **Sector:** What is the main industry sector in which your company is active? [Present selection of the main industry sectors]
- **TMT Diversity:** How diverse (regarding age, gender, ethnicity and so on) is your management team, 1 indicating low diversity and 10 indicating high diversity?
- **Strategy:** We will present respondents with two descriptions of archetypical firm strategies (i.e., prospector, defender) as suggested by Bedford et al. (2016) and ask which of the two descriptions best fits their firm
- **M&A Control (1):** Is there an M&A strategy in your company? [Yes/No]
- **M&A Control (2):** If yes, is this M&A strategy written down? [Yes/No]

- **Marker Variable** (based on Miller & Simmering, 2022):

To what extent do you agree with the following statements on the colour blue? (from 1 = strongly disagree to 7 = strongly agree):

Blue is a beautiful colour.

Blue is a lovely colour.

Blue is a pleasant colour.

Blue is a wonderful colour.

Blue is a nice colour.

Blue is a pretty colour.

I like the colour blue.