The Process of Post-Merger Organizational Identification
An analysis of mergers and acquisitions

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Definitions list

**M&A**: Acronym for Mergers and Acquisitions. These are transactions involving the purchase of another organization’s stocks in order to take control of it.

**SIT**: Acronym for Social Identity Theory. The theory explains the interplay between personal and social identities and specifies the types of circumstances where individuals think of themselves as individuals or as group members.

**Integration**: The process of attaining coordination between organizations, departments, groups, systems and functions.

**Post-merger integration**: This is the part of the merger process that comes after the closing of the merger agreement

**SME**: Acronym of Small and Medium sized Enterprises,

**Culture**: The ideas, customs, norms and behavior of a group of people.

**KPI**: Acronym of Key Performance Indicators. These are a set of quantifiable measures which are used to determine a company’s progress in achieving its strategic, operational and financial goals.

**Day 1**: The day where the integration is effective and there is a change in ownership control.

**Town hall meeting**: Organization-wide business meeting where an executive report is made, and employees can ask questions and engage with business executives.

**Fintech**: Enterprises which business model is based on software or other technologies used to support or enable banking and financial services.

**Human side**: Used in this thesis to refer to the individual’s part of the mergers, and their psychological state.

**Psycho analytic tools**: Tools used for psycho analysis. These are used by some of the respondents to understand the inner motivations of individuals.
Abstract

Today, mergers and acquisitions often grab headlines due to the large sums of money involved, and the number of stakeholders affected by it. Still, the increase in merger and acquisition activities, the capital involved, and the pervasiveness of these activities stand in sharp contrast to their high rates of failures. Scholars have attributed the failure of mergers and acquisitions to management failure when it comes to dealing with human aspects during the integration phase.

The purpose of this paper was to examine how individual’s identities change overtime in a merger. More specifically, it examines the process of post-merger organizational identification in merger contexts through the lens of social identity theory. From this purpose, we formulated the following research question and two sub-questions:

- How can post-merger identification be managed and integrated in an organization?
  - How can organizational identities transit from a pre-merger state to a post-merger state successfully?
  - What is the outcome of the post-merger identification process?

The method used in this study was qualitative with an interpretive approach, which allowed us to gain a deeper understanding regarding the purpose and to answer our research question. Primary data came from purposive sampling, where 14 semi-structured interviews with individuals with various managerial positions in post-merger integrations were conducted to gain an understanding of how they tackled the integration process. The secondary data used resulted from previous research, literature, articles and other internet sources. The interviews were qualitatively analyzed through a thematic coding procedure.

The backbone of our theory consists of perspectives on mergers and acquisitions from the lens of social identity theory. Particularly, it was used to understand the post-merger organizational identification process. The theoretical components were used to understand group formations and intra- and intergroup relationships, the effects mergers have on individuals, and what the effects of the outcomes of post-merger identification have on group and organizational identity.

Our findings disclose that organizational identities are exclusive by nature and that they remain in this state unless managerial actions are taken which triggers commitment from groups to change. These actions must combine communication efforts with managerial interventions which promote intergroup cooperation, prototypical norms and values. Depending on the actions and the goal of the merger, the nature of the post-merger identity is a combination of two identities which forms an overarching one, or an assimilation of one identity into another.

The contributions from this study come in two forms: theoretical and managerial. The theoretical contributions come through our findings showing how organizational identity emerge, change and how they are formed. The managerial contributions provide recommendations on how practitioners should facilitate the process, the vital role the manager has in the process and approaches they could take based on our findings.

Keywords: Social Identity Theory, M&A, Post-merger integration, Post-merger identification, Organizational Identity
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1. Introduction

This chapter introduces the background of the study, presenting the reader with an overview of M&A, successful and unsuccessful M&A and how the integration influences individuals. Moreover, the problem discussion explains the implication of these activities on individuals and organizations and research gaps. From this, the study’s purpose and research questions are presented. Lastly, we present how we will delimit ourselves in regard to the purpose of the thesis.

1.1. Background

Mergers and acquisitions (M&A) frequently grab headlines as they involve large sums of money and can affect a wide range of stakeholders (Johnson et al., 2017, p. 341). Companies merging or acquiring other companies are very commonplace in today’s rapidly globalizing economy as they allow for a quick way of achieving major strategic objectives (Vieru & Rivard, 2015, pp. 1-2; Johnson et al., 2017, pp. 341-342). Corporate restructurings in the form of M&A are a way of transforming businesses and their practices. Additionally, they are used by firms to enter new markets, subdue rival companies, or acquire valuable resources such as people, technologies and locations to gain competitive advantages (Bergamin & Braun, 2018, pp. 1-3; pp. 27-28).

However, the combined organization is exposed to an amplified level of business risk (Frantz, 2017, p. 134). According to Calipha et al (2010, p. 2), the growth in M&A activity, the capital involved, and the pervasiveness of these activities stand in sharp contrast to their high rates of failure. Furthermore, about one quarter of M&A achieve their financial objectives (Calipha et al., 2010, p. 2), and about half of the mergers eventually fail to some extent (Bartels, Douwes, de Jong & Pruyn, 2006, p. 49). Even though there has been an increase in research in the field of M&A, the high failure rate persists (Marks & Mirvis, 2011, p. 161; Cartwright & Schoenberg, 2006, p. 4). In regard to “bad luck”, faulty and crisis scenarios; scholars have pointed out that the numbers of reported failures are due to managerial negligence during the integration phase (Tetenbaum, 1999, p. 25; Vaara, 2002, pp. 215-217).

One of the most famous M&A failures includes the acquisition of Nextel by Sprint in 2005 (German, 2010). The expected synergy from combination was such that the combined firm were to become the third-largest telecommunication provider in the US market, behind AT&T and Verizon (Reuters.com, 2004). However, turnover increased significantly among Nextel employees, after the merger (German, 2010; FT.com, 2007). Indeed, they reported cultural differences, incompatibility because of the way the other entity worked, lack of trust and broken communication (Dumont, 2018). Sprint loss piled up to 29.5 billion USD three year after the deal (FT.com, 2007). This example recalls another famous case of a merger failure: the case of Chrysler and Daimler. The US and German firms did not manage to combine their business model (Vedd & Liu, 2017, p. 75; Watkins, 2007; Lewis & Gates, 2016). They experienced communication issues, misunderstanding and resistances due to different work cultures, hierarchy and procedures (Vedd & Liu, 2017, p. 75; Lewis & Gates, 2016; Herndon, 2017). After losing nearly 30 billion USD, Daimler and Chrysler demerged nine years after the promising deal (Reuters.com, 2009). Overall, it is apparent that these M&A failures were caused by the neglect of the ‘human aspects’ in the organization.

Even though both operations were considered “mergers of equals”, both cases had problems since the different companies merging inherently operated differently from one another.
(Babington, 2007; Lewis & Gates, 2016). Particularly in Sprint where executives ran the company in a more traditional way compared to Nextel. As a result, frictions in the post-merger organizations persisted, forcing the newly merged company to hire expensive consultants to help alleviate tensions between different factions within the organization (Vedd & Liu, 2017, p. 76; Babington, 2007; Hart, 2007). Ultimately, the inadequate managerial decisions effect on their employees could best be summarized as one employee from the company said: “It’s just that, well, I think we all have a tendency to stick to our own kind” (Hart, 2007).

In contrast, other mergers have reported great success. For instance, the expected synergies between Walt Disney and Pixar were realized in a way where the two entities could collaborate smoothly and their employee turnover would remain stable (Govindarajan, 2016; Chinta, 2018; Vedd & Liu, 2017, p. 75). Walt Disney and Pixar combined their strengths and fostered empowering innovation climate led the success-story cartoons such as Cars, beautifully designed by Pixar and effectively marketed by Disney (Govindarajan, 2016; DanielLock.com, 2015). Another example of a company with a great success story with mergers is Exxon-Mobil (Hoyos, 2007). The two oil giants merged and became the strongest leader in the oil market ever since 1999, even beating Wall Street’s earning expectations (Dichristopher, 2019; Achievenext.com, n.d.). The merger was successful despite of significant employee layoffs and the companies having two distinct corporate cultures (Liesman & Sullivan, 1998; Corcoran, 2010; Achievenext.com, n.d.). Both mergers featured an egalitarian integration strategy where the strengths of both organizational structures remained (Lin, Tan & Tham, 2007). These mergers also highlight that if a company communicates effectively, respects the conditions of the merged partner, and does not threaten the identities of individuals by forcing them to change their ways of working; it is possible for them to gain success in integrations (Lin, et Al., 2007; Vedd & Liu, 2017, p. 72; p. 75; DanielLock.com, 2015).

During the integration phase in mergers, two former companies or business units become consolidated, wherein previous leadership structures are reviewed and transformed, as referred in IFRS 3 (Nguyen & Kleiner, 2003, pp. 447-448; Graebner, Heimeriks, Huy & Vaara, 2017, pp. 1-2). In other terms, the integration phase is the time in which power is transferred from a group of individuals to another. Organizations are complex systems consisting of multiple sets of rules, routines and behaviors with different groups of stakeholders, thus making it hard to effectively handle mergers (Hayes, 2018, p. 4; p. 129). Social and organizational psychology researchers argue that the integration is particularly sensitive since people are emotionally involved (Hayes, 2018, p. 263; p. 270; Terry, 2001, p. 236; 242; van Knippenberg & van Leeuwen, 2001, p. 249). These factors might explain the reason why these operations have a high failure rate.

1.2. Problem discussion

The increasing number of post-merger integration failures induced many scholars to look at the phenomenon (McDonald et al., 2005, p. 2; Straub, 2007, pp. 4-6; Calipha et al., 2010, p. 3; p. 19). This prompted researchers to analyze the root causes of merger deals failing so that they could understand which variables were causing troubles. Regardless of the methodologies they followed, many pointed out human-related variables. In a study published in 1999, Balmer and Dinnie ranked nine of the most salient reasons for which mergers fails. They highlighted negligence of corporate identity along with poor corporate communication from management teams as the main issues (Balmer & Dinnie, 1999, p. 185). Since senior executive’s day-to-day duties include planning and executing strategic
plans, they are the change agents responsible for planning and executing the integration plan in a merger context (Alfes, Truss & Gill, 2010, p. 110; Hayes, 2018, p. 175).

According to social identity theorists, individuals do not only work for a given organization, they also identify to it and shape part of their self-identity around it: their organizational identity (Hogg & Terry, 2001, p. 1; Terry, 2001, p. 231; Van Knippenberg & Van Leeuwen, 2001, p. 249). The way people identify themselves is an expression of how they define themselves to be distinctive from other members of other organizations (Hogg & Terry, 2001; Empson, 2004, p. 759). Therefore, when restructuring operations occur, individuals lose part of their self when the system changes (van Knippenberg & van Leeuwen, 2001 p. 251; p. 253). Whereas there may be some individuals who could easily embrace change, many others could be averse to it as changes could be perceived as a challenge to their status quo (Hayes, 2018, p. 91; p. 270). The dangers of personnel change adversities have been well-documented, and its resulting effects are often mediatized. Often, employees who become less willing to embrace change may become resentful, making them more likely to quit their jobs, and in the worst cases they might get involved in sabotaging company operations (Van Knippenberg & Van Leeuwen, 2001, p. 249; Gaertner et al., 2001, p. 267; Nguyen & Kleiner, 2003, pp. 447-450). The latter is particularly true in cross-border mergers, wherein personnel have strong organizational differences (Stahl & Voigt, 2004, p. 52; p. 73).

Particularly, a considerable amount of management research focuses on the cultural perspective of international acquisition performances (Rottig, 2007, pp. 99-102). Researchers argue that a lack of cultural fit may lead to a culture clash between the involved workforces, which in turn could lead to lower employee commitment and cooperation, causing employee turnover (Nguyen & Kleiner, 2003, p. 448) and complicating the post-merger integration process (Stahl & Voigt, 2004, p. 52; p. 73).

Whereas significant documentations of the social identity phenomenon exist along with evidence of its success when leading organizational changes to improve business performance, few research papers focus on M&A in international contexts. This is especially true in papers where empirical evidence that tests the relationship between cultural distance and performance after an acquisition have led to mixed and inconclusive findings (Rottig, 2007; Giessner et al., 2012, p. 2; p. 28; Björkman, Stahl & Vaara, 2007, pp. 1-2). For instance, studies revealed a negative impact of cultural differences on the performance of mergers (Uhlenbruck, 2004, pp. 118-120; Datta & Puia, 1995, p. 346; pp. 352-354), whilst others identified a positive relationship between the factors (Morosini, Shane & Singh, 1998, pp. 148-154; Barkema & Vermeulen, 1998, p. 15; Dikova & Sahib, 2013, pp. 82-84). The different findings and conclusions from the studies suggest that the relationship between cultural differences and the post-merger integration phase performance is complicated, and that there are potentially unidentified factors that might make the effects of cultural differences on mergers vague (Björkman et al., 2007, p. 2).

Perceived cultural differences between merger partners are amongst the factors most cited to cause problems on the psychological side of mergers (Knippenberg et al., 2002, p. 236). In an organizational context, culture is the set of norms, value, behaviors, speech, beliefs, understanding, guide-for-actions, and rites that individuals’ part of an organization share (Sathe, 1983, p. 6). Accordingly, partners may differ in the way work they do, interpersonal interactions, styles of leadership, in their beliefs and values, and so on (Sathe, 1983, pp. 5-6). As such, these inter-organizational differences can be perceived as a threat to employees that have to adjust their ways to fit the merger partner, which could result in a greater discontinuity between the pre-merger and post-merger identities (Knippenberg, 2002, p.
As mentioned previously, mergers usually look attractive on paper, but are often results in difficulties post-deal. ‘Human issues’ or lack of proper managerial actions during the post-merger integration phase are typical. Either cases can cause a newly merged firm to underperform and not realizing expected synergies (Tetenbaum, 1999, p. 35; Terry, 2001, p. 237; van Knippenberg & van Leeuwen, 2001, p. 255). Mergers will inevitably involve the confrontation of two social groups, i.e. the employees from the respective companies. In fact, they have the potential to elicit intergroup biases, prejudice and stereotyping (Knippenberg & Leeuwen, 2001, pp. 255-256). This is particularly important as it can be perceived as a threat to existing group values, structure or other forms of intra-group cultures (Bartels et al., 2006, p. 50). To conclude, the integration phase is typically the time when managerial action is crucial, thus making it complex to apprehend (Nguyen & Kleiner, 2003, p. 447; Giessner, Ullrich & van Dick, 2011, pp. 340-342). In this thesis, we will examine the process of post-merger organizational identification, as very little is known about the process by which organizational identity emerges and changes over time (Empson, 2004, p. 759).

1.3. Purpose

The aim of the paper is to examine the process of post-merger organizational identification in merger contexts. Accordingly, we will address the topic of social identity theory (SIT) in the context of pre-merger and post-merger in the sense that:

- We will examine the nature of the post-merger organizational identity and;
- We will explore the process by which the post-merger identity is formed. This includes comparing the post-merger identity to the pre-merger identities in merger contexts.

1.4. Research questions

In accordance with the problem discussion and the identified research gaps, research about post-merger organizational identification strategies and its effect on employees lack sufficient research. Therefore, we have formulated the following research question and sub questions:

- How can post-merger identification be managed and integrated in an organization?
  - How can organizational identities transit from a pre-merger state to a post-merger state successfully?
  - What is the outcome of the post-merger identification process?

1.5. Delimitations

In accordance to the purpose of our study, we will focus on the process of post-merger organization identification through the lens of SIT. As such, we will look through the integration phase part of the M&A process, since this is at this time that organizational identities are influenced and altered. The M&A process typically has four phases: strategic planning for merger, candidate screening, due diligence and deal execution, and the integration phase (Calipha et al., 2010, p. 6-7). It is important to highlight that M&A transactions are not the primary focus of this paper. Instead, we will focus on the last phase, which is the integration phase. Subsequently, only technical aspects of the M&A which contribute to our paper are presented in this thesis.
In addition, we adopt a managerial perspective. The choice is pertinent as managers are understood to be the change agents who oversee the identity-building process (Hayes, 2018, pp. 93-94). Furthermore, they oversee the post-merger integration process, regardless if they are internal or external to the organization (Teerikangas, Véry, & Pisano, 2011, p. 653).

At this stage of this study, it is also important to clarify that throughout our thesis, the acronym M&A is used when we refer to the field of mergers and acquisitions. Importantly, we use the term ‘mergers’ to refer to the transaction. According to Wijnhoven, Spil, Stegwee & Fa (2006, pp. 5-6) the term ‘mergers’ is often used interchangeably to refer to mergers or acquisitions, as most mergers are acquisitions in practice. Furthermore, terminologies used to refer to integration activities use the word ‘merger’ e.g. post-merger integration.
2. Research methodology

In the following chapter, we present our approach for this study, our preconceptions, and our research philosophy so that readers have a good overview of us as authors and can better apprehend the study. Following those, we will motivate our research strategy, providing readers with a complete map of how we plan to complete the study. Hence, topics such as data collection and data analysis methods will be explained, our sampling methods we will use and how we intend to apply these methods. Lastly, a critical analysis of our chosen research methodology, approach and sources, as well as ethical considerations will also presented so that readers can grasp the approach of this study.

2.1. Research paradigm

To understand the concepts we will use to conduct our study, its implications on the theories and methodology chosen to fulfill the purpose of it, it is important to highlight paradigms. Saunders, Lewis & Thornhill (2012, pp. 140-141) defines paradigms as: “a way of examining social phenomena from which understandings of these phenomena can be gained and explanations attempted”. Furthermore, Denscombe (2012, p. 2) argues that the paradigms chosen should guide researchers to organize a theoretical framework and the methodological approaches. There are four main categorizations of social science paradigms which reflect the assumptions researchers make about the nature of organizations, and the positions researchers take when studying organizations. These are: Radical humanist, Radical structuralist, Interpretive and Functionalist (Saunders et al., 2012, p. 141; Bryman & Bell, 2015, p. 35).

The radical humanist paradigm adopts a critical perspective on organizations and proposes that organizations are social arrangements where individuals should be emancipated and that research should be guided by the need for change (Bryman & Bell, 2015, p. 35). On the other side of the radical spectrum is radical structuralism which views an organization as a product of structural power relationships and patterns of conflict (Saunders et al., 2012, pp. 143-144). The functionalist paradigm aims at bringing understanding to occurrences in an objective and rational way (Saunders et al., 2012, pp. 143-144). Finally, the interpretative paradigm focuses on the conceptions of social actors and tells that understanding should be based on the experiences of those who work in organizations (Bryman & Bell, 2015, p. 35). Based on the arguments made, we will advance with an interpretive paradigm. The following paragraphs will present and argue for different research philosophies which could be used together with the chosen paradigm.

Ontology is concerned with the nature of reality (Saunders et al., 2012, p. 130). Further, this research philosophy raises questions about the way the world operates and the commitment one has to particular views (Saunders et al., 2012, p. 130). The central question that concerns ontology is whether social entities can be considered as objective actors that have a reality external to social actors, or if they should be considered as social constructions developed from the perceptions and actions of social actors (Bryman & Bell, 2015, p. 32). Within ontology there are different stances, where some are more appropriate than some others depending on the type of study and the views of the researchers. These are the constructivist and objectivist stances. The position challenges the assumption that categories such as organizations or cultures are pre-given, therefore social actors are perceived as external realities that have no influence on the organizations and cultures (Bryman & Bell, 2015, pp. 32-33). In contrast, the objectivist position implies that social phenomena are considered as external facts beyond our reach or influence. These phenomena that occurs in organizations are seen as independent from the social actors within them (Bryman & Bell, 2012, p. 32).
Epistemology is concerned with what can be constituted as acceptable knowledge in a certain field of study (Saunders et al., 2012, p. 132). This philosophy is concerned with the question of what is regarded as acceptable knowledge in a field of study (Bryman & Bell, 2015, p. 26). The central issue in this context is whether or not the social world can and should be studied according to the same principles, procedures and characteristics of natural sciences (Bryman & Bell, 2015, p. 26). There are three dominant perspectives in the way that researchers view epistemology and the development of knowledge, these are: positivism, interpretivism and realism (Saunders et al., 2012, pp. 134-137; Bryman & Bell, 2015, pp. 27-30).

Positivism reflects the philosophical stance that natural scientists would take. Essentially, this philosophy is based on science and prefers the collection of data in an observable reality whilst promoting searching for regularities and casual relationships in data to create law-like generalizations (Saunders et al., 2012, p. 134). Realism is another philosophical position which relates to what we as people sense reality to be and how objects have an existence independent of the human psyche (Saunders et al., 2012, p. 136). This branch is similar to positivism in that it assumes a scientific approach to develop data. As such, it shares similar characteristics with positivism in terms of the external objective nature of societal actors (Saunders et al., 2012, pp. 136-137). Finally, interpretivism argues that the social world is far too complex to lend itself to theorizing by established ‘laws’ as in physical sciences. Interpretivism advocates that researchers need to understand the differences between individuals as social actors. In this philosophy, it is necessary to interpret individual’s actions and behaviors to establish an understanding of the factors behind these actions and behaviors.

Given the purpose and delimitations of this thesis, we have favored an investigation of the social aspects of post-merger organizational identification through the eyes of the managers we intend to study. We acknowledge that the context and situation specificity of this thesis will affect the subjective nature of our findings. According to our stance, we firmly believe that individuals shape their own understanding of the world and that there are multiple truths depending on perspectives adopted and people studied. In order to maximize the chances of putting the light on these singularities and specificities of the world, we have adopted the interpretive epistemological stance making use of interpretive research techniques. Furthermore, since the interpretivist approach aims to interpret social actors and their behaviors, we believe it is fitting to use it together with the constructionist ontological stance.

2.2. Preconceptions

According to Saunders et al. (2012, p. 137), the role that one’s values play in the different stages of business research is important when the research results are meant to be credible. By understanding the axiology, which is the philosophy of values that includes ethics and aesthetics, it is possible to better understand our decision making as authors. Bryman and Bell (2015, p. 40), argue that since values are the personal beliefs or the feelings that a researcher has, the biases can intrude the business research process, from the choice of research area to the conclusion one draws from a study. Values guide actions, and as such researchers should articulate their values and their basis for making judgement about the type of research they intend to conduct (Heron, 1996 cited in Saunders et al., 2012, p. 139).

As interpretivist researchers, we see our analysis as a matter of providing an understanding, rather than providing something that is an objective, universal truth (Denscombe, 2014, p.
Theories reflect the context in which the research takes place and is shaped by the values and experiences researchers have (Denscombe 2014, p. 244). However, values can also cause biases which can materialize during the course of the research. This can come in the form of interviewers in qualitative studies being sympathetic to certain groups over others due to developing an affinity for them (Bryman & Bell, 2015, p. 40). This difficulty can materialize when trying to distinguish between what should be an objective standpoint as a researcher and the subjective views as individuals have (Bryman and Bell, 2015, p. 40). Still, being clear about one’s value position can help in deciding what is appropriate for the study and arguing about the position one takes regarding the decisions taken throughout the business research process (Saunders et al., 2012, p. 139).

Both of us are business students who study in Umeå School of Business, Economics and Statistics, which is part of Umeå University. The program we study is the master’s program in Management. As business students, we have similar backgrounds since we both hold bachelor’s degrees in Business Administration. Aukar specialized in information technology management whereas Song pursued her master’s degree in corporate finance. Further, what separates us is the different personal backgrounds as well as the professional and international experiences we both have. Song is French and has been living in France, Sweden and Portugal where she has worked and studied. Her experiences have allowed her to gain a greater understanding of corporate finance and business consultancy. Aukar is Swedish and has worked in Sweden and Germany and has studied in France during an exchange semester. It is important to highlight that the similarities and differences we both have can complement our strengths, thus enabling us to bring depth to our thesis topic. Importantly the similar experiences possessed by us can be argued to be inhibitive as we might be influenced to think in a similar way, thus influencing the validity and credibility of the study. According to Saunders et al. (2012, p. 132), the similarities and differences possessed can be viewed as a positive aspect for researchers. Hence, we believe that our understanding of the topic and the competencies we possess complements us.

The reason we chose our thesis topic is due to the shared interest that we have in M&A, in SIT and in organizational theory. Song is very passionate about M&A, which was developed during her master’s studies. Aukar is interested in business strategy and organizational theory, something developed during his bachelor’s studies, as well in his master’s studies. An important factor to the choice of thesis topic is the course that we took called “People - The Human Side of Organizing”. The course gave us an understanding of how SIT can explain the problems that often occur in organizations that are often overlooked by managers and other observers. After establishing our interests, we decided to analyze the phenomena of organizational identity in M&A since they often fail, and the psychological aspect related to individuals are often overlooked by media outlets and by business literature. Further, we believe that it is relevant to understand how M&A work in conjunction with psychological factors in practice, in order to widen the scope of our understanding that affect our potential future employers. Our shared beliefs and understanding motivated us to do this topic. The research that was done to gain an understanding on current events in regard to merger failures led us to understand that the human side is under researched. In particular, the post-merger performance is often where companies struggle. Thus, we decided to write our topic on the process of post-merger organizational identification to bring light to what managers can do to ease the integration of new employees.
2.3. Research strategy

Research strategy can be understood as the chosen relationship direction between research and theories (Bryman & Bell, 2015, pp. 37). Based on literature, research can be inductive, deductive or abductive (Saunders et al., 2012, pp. 143-149). From a deductive perspective, research aims at verifying existing knowledge and completing existing theories while setting the foundations of current knowledge, asserting eventual gaps, developing hypotheses and verifying them empirically (Bryman & Bell, 2015, pp. 37-38). If this study was deductive, we would have to analyze theories then narrow them down into hypotheses which would have to be tested. Then the gathered data would need to be tested against the established assumptions established before the execution of the study, and the results of the analysis would either validate or invalidate the hypothesis (Saunders et al., 2012, p. 143). Hence, the creation of knowledge and the chance of discovering an undiscovered phenomenon are limited.

This differs from an inductive research strategy which primarily aims at unveiling new knowledge (Saunders et al., 2012, pp. 145-146). The process of induction involves drawing inferences from observations to try to define new theories. Furthermore, the purpose is to draw generalizable inferences from observations (Bryman & Bell, 2015, p. 25). Due to this, research that uses an inductive approach is likely to be particularly concerned with the context where the events being studied takes place. Therefore, the study of a small sample of subjects can be preferable when using an inductive approach in contrast to a deductive approach (Saunders et al., 2012, p. 146).

Lastly, an abductive research strategy moves back and forth between deduction and induction, and combines aspects of both (Saunders et al., 2012, p. 147). Essentially, it begins with the observation of an interesting fact, then works out a plausible theory of how it could have occurred (Saunders et al., 2012, p. 147). Through abduction, it is possible to gain more insights based on these observations, and these theories can uncover more interesting facts the researchers may not have initially accounted for (Saunders et al., 2012, p. 147).

As mentioned in our introductive parts, the aim of this thesis is to contribute to the sparse knowledge in the theoretical field of SIT while analyzing the situation in the practical world and drawing inferences from it. Accordingly, the research strategy we have chosen is inductive. A pure inductive strategy means that researchers collect data first and then, makes a theory from it (Bryman & Bell, 2015, p. 25).

Still, it is important to acknowledge that both deduction and induction often entails an element of one another. For instance, one might reflect on collected data, and seek out to collect more data to establish conditions where a theory may or may not hold up (Bryman & Bell, 2015, p. 25). In this paper, we have decided to establish a theoretical foundation before collecting the data to frame our study, thus the study is more inductive than deductive and cannot be considered abductive (Bryman & Bell, 2015, p. 584; Saunders et al., 2012, pp. 147-148). This is because it does not take many elements from induction and deduction. The benefit of this approach is that it makes the study more focused on the research question (Bryman & Bell, 2015, p. 584).
2.4. Research design

Research strategy includes the type of data and focus researchers seek to have in their study. The strategy can be qualitative, quantitative or a mixed design of both. Qualitative research usually emphasizes more words than quantification in the collection and analysis of data (Bryman & Bell, 2015, p. 392). The data collected in a qualitative study is data that is non-numerical or data that has not been quantified (Saunders et al., 2012, p. 678). The data collection technique often associated with qualitative research designs are interviews which generates or uses non-numerical data (Saunders et al., 2012, p. 161). Qualitative research is associated with interpretivism, since researchers have to make sense of the subjective and socially constructed meaning as expressed about a phenomenon studied (Saunders et al., 2012, p. 163). Additionally, it is compatible with an inductive approach as emergent research designs are used to develop and add richer theoretical perspectives to existing literature (Saunders et al., 2012, p. 163).

In contrast, quantitative research focuses on the collection of numerical data or data that has been quantified and is associated with data collection techniques such as questionnaires as well as data analysis procedures such as using statistics to make sense of data (Saunders et al., 2012, p. 161; p. 679). Quantitative research is typically associated with positivism, since it often uses predetermined and highly structured collection techniques. Furthermore, it is usually associated with deductive approaches where the focus is to test theories (Saunders et al., 2012, p. 162).

It is important to recognize that the distinction between qualitative and quantitative research is narrow. In reality, much of business research designs combine qualitative and quantitative elements. For instance, one might conduct a quantitative research design with a survey but use open question rather than ‘ticking’ the appropriate box (Saunders et al., 2012, p. 161). Accordingly, we have decided to use a qualitative research design. Qualitative research is ideal when trying gain an insight to the perception of M&A from the perspective of managers who deal with them. The area of research chosen require answers that are too hard to answer through quantitative methods, as means of investigations are limited. However, using qualitative research methods can make it inherently hard to generalize the findings of a study across other studies (Tracy, 2013, p. 229). Thus, qualitative research can be perceived as too subjective (Bryman & Bell, 2015, p. 413). However, through this research design it is possible to gain a deeper understanding of the interviewee’s perceptions (Bryman & Bell, 2015, p. 414).

2.5. Data collection

There are two ways of categorizing data, one is primary data, and the other is secondary data. Primary data is data that researchers themselves have collected for their study from its originators, and secondary data is data collected by another party which is published on websites, newspapers, journals or other documents (Saunders, 2012, pp. 304-307).

The secondary data we will use in this study comes in the form of previous research, literature, articles and other internet sources. The primary data we will collect in this thesis will come in the form of semi-structured interviews (see. 2.6. Semi-structured interviews) with the interviewees that have dealt with M&A in their respective organizations, as well as notes that will be taken during the interviews. The advantages of taking notes are that it can allow the interviewers to maintain concentration, refer back to previous statements, formulate points to summarize back to the interviewee to demonstrate to show that their
responses are important, and can allow the interviewers to record their thoughts and events that would not be evident from the recorded interview (Saunders et al., 2012, pp. 394-396). Example could be facial expressions or other non-verbal cues. This can ensure that we will control the interviews and to adapt the interview based on the answers given by the interviewees (Saunders et al., 2012, pp. 393-394). Another reason to collect data this way is to back up data in case the recording is lost, which could hamper the transcription process (Bryman & Bell, 2012, pp. 550-552). Unfortunately, we do not have the possibility to meet all the respondents in person, only two of them. The rest of the interviews will be conducted through video calling software such as Microsoft Teams, Skype and Zoom. Even though we may not be able to meet the individuals in person, we believe that the interviews through these means will still allow us to pick up on the non-verbal cues and facial expressions, since we will still see their faces in the interviews.

The interviews will be recorded with the interviewee’s consent (see. 2.11. Ethical considerations). By collecting data from multiple sources, it is possible to gain a deeper understanding of the experiences of individuals during the merger process, and their perception of the post-merger identification process.

2.6. Semi-structured interviews

The study’s empirical data will be collected through qualitative interviews between us and the post-merger integration representatives and managers that have agreed to be interviewed. The interviews will be recorded for greater comfort when we consult and analyze the data, and for consistency and verification purposes. An interview is the “interchange of views between two persons conversing about a theme of mutual interest” (Kvale & Brinkmann, 2009, p. 2, cited in Tracy, 2013, p. 131). It is important to distinguish that interviews differ from conversations due to having specific structure and purpose (Tracy, 2013, p. 131). Interviews elucidate the subjectively lived experiences and viewpoints from respondent’s perspectives, thus making it possible to gain an understanding of opinions, feelings, perceptions and experiences of those partaking in the interview. Furthermore, it is possible to gain valuable insights and knowledge based on the interviewee’s experiences (Tracy, 2013, p. 132-133).

The interviews we will conduct for this study will be semi-structured, meaning that we as interviewers have a series of questions that are in the general form of an interview guide, but were able to vary the sequence of questions asked during the interview (Bryman & Bell, 2015, p. 213). The question and scope of investigations are gathered in a document called interview guide, as it guides the interviewers through the interview sessions. The interview guide is described in the next section and presented in Appendix B. One of the greatest benefits of this method is it permits interviewers to ask questions that they previously had not accounted for, but which could be relevant for the study and the context of the answers given (Denscombe, 2014, p. 186). In other terms, semi-structured interview guarantees greater flexibility in the empirical investigation.

The flexibility can allow the interviewee to develop their reasoning and answers, whilst empowering them to further develop their answers. Questions that will be asked to support main questions are mostly questions such as “why do you think so?”, “could you explain what you mean by that?” and “why?” These types of questions are relevant as the aim is to understand the perception that managers have of mergers, as well as how identities are affected during this process. According to Bryman and Bell (2015, pp. 486-489), interview questions should not always be too specific, otherwise they can prevent alternative ideas and views to surface. Furthermore, the questions should be formed from the perspective of
what the interviewee sees as significant and important in relation to the research area, the purpose of the study and the questions which we want answered (Bryman & Bell, 2015, pp. 486-488). As such the questions that will be asked in the interviews were formed with the purpose of the study in mind.

2.6.1. The interview guide

To make sure that the interviewees will answer questions truthfully and coherently, and so that they will avoid irrelevant talking points, we will explain theoretical concepts such as ‘identity’ and ‘culture’ to respondents before asking them questions on the topics. Second, we will specify which time in the M&A operation our questions relate to and whether we refer to their own experiences or the opinion of the organization as a whole. Then, we will plan what subjects and talking points is going to be brought up before and during the interviews. We will structure our interview questions by using an operationalization of our theoretical framework. This is to ensure that we get the most out of our theoretical framework, which will enable us to have a wide range of questions regarding SIT elements in merger contexts. Furthermore, the interviewees will be e-mailed the purpose of our research topic and the type of questions we will ask them in the interview so that they have time to prepare.

The interview guide’s headlines and questions were developed through the operationalization of our theoretical framework and were validated by our supervisor who has previously conducted research in the field of SIT. These measures have been made to ensure that the interviews will be relevant and that interviewees answer our interview questions accurately (Saunders et al., 2012, pp. 384-386). The authors mentioned that it is important that questions asked in interviews reflect the subject being researched. Additionally, the questions should not be too specific as it could hinder other ideas and views from surfacing (Saunders et al., 2012, pp. 389-391). As a result, a mix of open, probing and specific questions will be used to allow participants to define and describe situations or events, allow us to explore responses that are of significance, and to obtain specific information as well as confirm facts or opinions (Saunders et al., 2012, pp. 391-393). Therefore, we have listed support questions with letters to the main questions which are numbered. This ensures that we get the most out of our respondents when they answer our questions. Furthermore, each category, with their own questions are prefaced with explanations to help the respondents to contextualize what we want to ask about. According to Tracy (2013, pp. 146-151), it is important to highlight that interviewers have to be flexible in their line of questioning, as the sequence of questions can vary and change during the interview depending on previous answers and observations during the interview.

2.7. Sampling methods

The sampling approach used in this study will be a non-probability sampling method. This type of method works well with qualitative studies as it allows researchers to focus their efforts on a small sample as it might not be feasible to include a large number of examples in the study, and the researchers have more freedom to choose the interview persons that are most suited for the study (Denscombe, 2014, pp. 33-34). On the contrary, probability sampling is considered by many researchers less practical in qualitative studies as statistical methods are not used and are more useful when analyzing quantifiable data (Bryman & Bell, 2015, pp. 187-188).
The non-probability sampling technique deployed in this thesis is purposive sampling. This technique operates on the principle that it is possible to attain the most relevant information by focusing on a small number of instances deliberately chosen based on their known attributes (Bryman & Bell, 2014, pp. 428-430). With this in mind, the interviewees were hand-picked, based on their relevance to the purpose of the study. In order to be considered for the study, interviewees must work with mergers and would need to have complete knowledge about the process of integration.

Purposive sampling works particularly well when researchers want to create an ‘exploratory sample’ (Denscombe, 2014, p. 41). It allows for the best information to be collected as the people chosen for the study are most likely individuals who have experience and expertise to provide quality information and valuable insights on the topic being researched (Denscombe, 2014, p. 41). Even though it can be hard to trust few individuals to give a representative picture of how a merger affected the organization they worked for and the individuals in them, the research question guides the sampling of participants in purposive sampling so that the people in the study are chosen based on their relevance to the research question that we aim to answer (Bryman & Bell, 2015, pp. 428-430).

As a result, we have chosen to interview individuals who have a significant role in the post-merger integration process in relation to dealing with the ‘human aspects’ of the merger (see. 4.1. Overview of respondents). Further, we selected respondents regardless of their successes with mergers, in order to have an overview of what is and what could be done in mergers in general. The respondents are called post-merger integration managers due to the job roles and titles they have in relation to their experiences of facilitating post-merger integrations. What they all share in common is that they all have had a managerial role in mergers, and they have experience with working towards understanding how individuals deal with merger integrations to various degrees.

2.8. Analysis of data

The inductive research approach of this thesis emphasizes the analysis of collected data, which will enable us as authors to gain insights in the intricacies of the data intended to be collected (Saunders et al., 2012, p. 146). Additionally, the interpretivist view we have require us as authors to illuminate and make sense of arguments that will be made in interviews and make conclusions based on the perceptions of the ‘social actors’ we choose to interview in the data analysis phase (Saunders et al., 2012, p. 137). Importantly, the process of analyzing data will be affected by the perceptions and preunderstandings that we as authors have. Therefore, the conclusions drawn from the analysis of data will be affected by the combination of empirical findings, choice of methodology, scientific articles and theories, and finally our own social background.

After conducting interviews, the intention is to transcribe the collected data from interview recordings and notes taken during the interviews to support the experiences and perspectives of the interviewees. Miles (1979, cited in Bryman and Bell, 2015, p. 579) described qualitative data as an ‘attractive nuisance’, due to the attractiveness and richness of the data, but also the difficulty of finding a way to analyze the richness. One of the most common approaches to qualitative data analysis is thematic analysis (Bryman and Bell, 2015, p. 599). An analysis that uses themes can make it possible to find similarities in the different experience’s interviewees have, as well as pick out the different experiences shared and how often they are shared (Fejes & Thornberg, 2015, p. 244). Flick (2009, p. 318) mentions that the research issue when choosing this method is to tackle the social distribution of perspectives on a phenomenon or process. Further, the author explains that the underlying
assumption is that in different groups, differing views can be found. In order to assess this assumption, it is important to increase the comparability of the empirical material. The collection of data will be made with the research question in mind (see. 2.7. Sampling methods), as well as a method which would yield comparability by defining topics and remaining open to the views related to them (Flick, 2009, pp. 318-319).

In this study, the interpretation of texts will serve to develop the theory that has been established in the theoretical framework. Therefore, a linear process of first collecting the data and later interpreting it is given up for a more interwoven procedure (Flick, 2009, p. 306). The interpretation of text can be useful in two ways. It can allow the authors to reveal statements or put them into their context in the text that can lead to an argumentation of the textual material. The other way is that it aims at reducing the original text collected by paraphrasing, summarizing or categorizing (Flick, 2009, p. 306).

In this thesis, we intend to use the procedure of thematic coding proposed by Flick (2009, p. 318). This works well in comparative studies wherein groups in a study are chosen based on their relevance to the topic being studied. The underlying assumption behind using this procedure is that in different social groups, different views can be found. In order to assess the assumptions found and to better understand the groups’ perspectives and experiences, thematic coding will be used by rigorously going back and forth between the collected data and the theories, defining topics, and at the same time remaining open to new views that may emerge during the process (Flick, 2009, p. 318).

When conducting thematic coding, Flick (2009, pp. 318-320) mentions that it is important to address the cases involved, by producing a short description of each case will be rechecked and modified if necessary, during the further interpretation of the case. The case description is the motto of the case, a short description about the interviewee with regard to the research question (e.g. age, profession, and years of work experience) (Flick 2009, p. 319). The central topics mentioned by the interviewee about the research issue are summarized and used to understand the motivations the interviewee has.

After collecting data, conducting a deep analysis of one singular case is important, as it allows the authors to find the meaningful relations that a person has in regard to the topic of the study. After that, it is possible to develop a system of categories for the single case (Flick, 2009, p. 319). Finding categories that were mentioned in the interviews, whether relevant or not to the study should be done next to generate thematic domains and categories for the single case. When analyzing the cases in isolation, it is possible to cross check the developed categories and themes linked to the single case (Flick, 2009, p. 319). This cross check will increase the comparability of the cases, and the thematic structure allows for analyzing the social distribution of perspectives on the issue of the study (Flick, 2009, p. 321).

Bryman and Bell (2015, p. 595) explains that it is important to start coding as soon as possible, as well as going through the initial set of transcripts and field notes. Engaging in coding multiple times makes it easier to interpret and theorize in relation to the data collected. Considering general theoretical ideas in relation to the codes already generated makes it so that the researchers can be open to having more codes (Bryman & Bell, 2015, p. 595). In regard to this, we as authors will try our best to be critical and will reduce or combine certain themes and categories after rigorously analyzing the collected data. Each respondent’s interview will have a certain number of categories and themes, which will then be compared with other respondent’s perspectives and categories developed from the thematic coding. After that, we will merge and form new categories and rigorously compare
the different respondent’s perspectives with one another in relation to the established categories they share. These perspectives will then be presented and compared side by side, ensuring nuance and accurate representation in the results. This way, we can ensure that the following analysis focuses on the most relevant details pertinent to the study (Fejes & Thornberg, 2015, p. 210; Flick, 2009, p. 338).

2.9. Source critique

Saunders et al. (2012, pp. 72-73) mentions that there are two main reasons to review literature. Firstly, it is about getting ideas, and secondly, it is a necessity to review the relevant articles and books to ensure that you have the relevant information. Since we have an interpretivist perspective, relevant literature will be analyzed alongside theories and concepts. However, it is important to relate these concepts analyzed to those who take social actions to in relation to the concepts analyzed to better understand the phenomena of post-merger organizational identification (Bryman & Bell, 2015, pp. 28-29). As such, it is important to acknowledge the role we have as authors, and how our biases and backgrounds can affect our understanding of the subject we attempt to establish an understanding of (Bryman & Bell, 2015, p. 40).

According to Denscombe (2014, p. 200), knowing whether an interviewee is speaking the truth is an important factor to consider when choosing interviews as one’s primary data source. There is ultimately no absolute way of verifying what someone discloses to an interviewer about their thoughts and feelings. This is due to researchers not being “mind readers”. However, the author emphasizes that this makes it essential for researchers to control the obtained data (Denscombe, 2014, p. 200). With this in mind, efforts will be made to ensure the validity of the data in this study. Furthermore, we have decided to not use gender pronouns to ensure gender-fair language in our thesis. Implicit biases can occur through the use of language and can manifest in stereotypes or even reinforce stereotypes (Harris, Biencowe & Telem, 2017, p. 932). Linguistic relativity, or the idea that language directs thought, can operate in multiple contexts (Harris et al., 2017, p. 932). Societies that uses gendered language tends to display deeper gender inequality than societies with neutral language (Harris et al., 2017, p. 932). Particularly, language plays an important role in molding individual’s attitudes towards occupations and gender (Harris et al., 2017, pp. 932-933). Appropriately, we have will gender-fair language to reduce the implicit biases that might surface and influence the reader’s perception of the respondents. The results and the analysis and discussion will therefore be presented with pronouns such as ‘they’ and ‘them’ instead of ‘he/she’ and ‘her/hers/him/his’.

We have taken measures to provide plausibility of the data collected by providing information about the interviewees’ relevant experiences or titles which can give our data and our thesis more credibility. As researchers, it is important to ask and see if the interviewee is in a position to comment on the topic with some level of authority (Denscombe, 2014, pp. 200-201). Therefore, we will disclose the age and the experience the interviewees have with mergers. Additionally, the respondents will be presented with the initials of their full names. The reason is that it will become easier to present and recount the occurrences and circumstances highlighted by the respondents in the order of relevancy. If we presented them numerically, it would become perplexing for the reader, as the presentation of the events would most likely be done in sequential order based on the respondent’s number, instead of the most relevant occurrences for the topic at hand. Still, we have made efforts to ensure anonymity of the respondents by asking for their consent (see. 2.11. Ethical considerations).
By using documents and other observations as back-up for the content of the interview, they can be checked against other interviews to gauge the level of consistency. This way it is possible for us to see if other alternative ideas and perceptions were shared amongst the interview persons or current empirical data instead of relying on one of statements of how things are in practice. This is the main reason that data was sorted based on recurring themes that emerged from the interviews, instead of relying on one of statements as facts (Denscombe, 2014, pp. 200-201).

Most of the secondary data used in this study comes from scientific articles which have gone through the peer-review process before they were published. Researchers that are active within the same field, discipline or subject as the author that submitted an article reviews it and assesses the scientific quality of the article. Often, an author is given feedback from his peers during this process to revise or change parts of it to ensure the quality of the article (Umeå University Library, n.d.). The topic of organizational identification has been well documented and researched for the last few decades by the community of SIT researchers (He & Brown, 2013, p. 4). Even though there are differing opinions of post-merger organizational identification amongst researchers, there is still a large amount of existing literature that attempts to understand how organizational identification is affected by mergers in its different stages.

As readers will notice, the sources we will use in our theoretical framework mainly come from an edited book on SIT. An edited book is a compilation of scientific articles, selected based on their relevance to address a certain topic (Torres-Salinas, Robinson-Garcia, Cabezas-Clavijo & Jiménez-Contreras, 2014, p. 2124). In the field of SIT, the community of researchers are not many so that authors of academic papers are usually the same and they refer to previous researches in a circular way. Based on our understandings, the use of this edited book is valid as articles part of it compile the fundamental models of SIT accepted and applied by consensus of SIT researchers in the context of organizations and M&A.

Internet sources will be used to gain a better understanding of the subject, and the current practices and events that affects the subject being researched. Further, the internet resources will help us find information about the interviewees and the companies they work for. The keywords used in this thesis such as mergers, acquisitions, organizational identity, social identity theory and post-merger organizational identification were combined with one another in search queries when discovering secondary data. Moreover, the literature used in the study were authored by well-established researchers in their respective fields. Scientific databases such as Umeå University Library, Google Scholar, Emerald Journals, EbscoHost, Sage Journals, JStor, Wiley, Elsevier, ResearchGate and physical books from Umeå University Library will be used to obtain appropriate and relevant literature which allowed for the formation of the introduction, problem discussion and theoretical framework to be constructed.

2.10. Method critique

Qualitative research is often criticized as the outcome of the research can be influenced by the author’s interpretation of facts and data. Additionally, the process of analyzing data and the large volume of words in the collected data makes it hard for qualitative researchers to present all their data as objectively as possible (Denscombe, 2014, p. 295). As such, it is not feasible to present all the data, instead qualitative researchers are selective in what they present and acknowledge their role as editor and prioritizing certain aspects over others (Denscombe, 2014, pp. 295-296). Denscombe (2014, p. 297) proposes four criteria to ensure
Credibility, which parallels internal validity means to what extent the researchers have gone through to ensure the quality of research and that the methods used in the research are relevant (Bryman and Bell, 2015, p. 401). Guba and Lincoln (1985, cited in Denscombe, 2014, p. 297) make the point that it is not possible for qualitative researchers to prove with absolute certainty that they ‘got it right’. However, there are steps that can be taken to persuade the readers that the data is reasonably likely to be accurate and appropriate. To address this, we will use the following measures:

- **Respondent validation**: Researchers can share the data and findings with the participants to check the validity of the findings. This allows for a check on factual accuracy and allows for the researcher’s understandings to be confirmed or questioned by those being studied (Denscombe, 2014, pp. 298-299). To ensure the validity of the findings, we will share the findings with the interviewees to ensure that they felt correctly represented, and that the information corroborated is factual and relevant to what was asked.

- **Triangulation**: By using different data sources, it is possible to ensure that the data collected is “correct” (Denscombe, 2014, p. 298). In this thesis we will use different sources of primary and secondary data sources to bolster the credibility of our findings. Additionally, we will use different theoretical positions in relation to the data collected. The theories used in this study comes from SIT in relation to mergers, which encompasses theoretical elements from sociology, psychology and business administration. This provides a nuanced perspective to what will be researched and will shape the way the data will be interpreted and analyzed.

Dependability is the degree to which the results can be trusted and that the research reflects the procedures have been done in accordance to what other researchers evaluate in terms of reputable procedures and reasonable decisions (Denscombe, 2014, p. 298). Additionally, for a phenomenon to be considered appropriate, it needs to have clear boundaries that separates it from another phenomenon (Denscombe, 2014, p. 298). It can be argued that the dependability of this thesis is high as it will use a relevant theoretical framework and appropriate methods which will allow for a deep analysis of the intended research topic. The purpose of the study, theoretical framework and the methods makes it possible to construct interview questions that are relevant for our thesis.

Transferability which parallels external validity refers to which extent the results of a study can be transferred or applied to other cases or situations. Since qualitative researchers conduct observations or interviews with a limited amount of people in organizations or contexts, it is hard to generalize the results to other cases (Bryman & Bell, 2015, p. 402). However, Denscombe (2014, p. 299) argues that findings that qualitative researchers make from cases could be worthwhile in their own right as they depict specific and possibly unique situations. The argument is that the reader of the research uses information about the context or the subject that has been studied to arrive at a judgement about how far it would apply to other similar cases (Denscombe, 2014, p. 299). We will focus on making detailed interviews with well thought out questions, as well as giving information about the types of questions that would come in the interviews beforehand through email so that respondents have enough of an understanding about the research subject. In the end, it is the readers who decide if the results of our study are transferable or not.
Objectivity concerns the extent to which qualitative research can create findings that are “free from the influence of the researcher(s) who conducted the enquiry” (Denscombe, 2014, p. 300). Strauss and Corbin (1998, cited in Fejes & Thornberg, 2016, pp. 62-63) explains that objectivity is the ability to distance oneself from the empirical data and the results. Distancing oneself is important, as one’s identity, values and beliefs cannot be entirely eliminated from the process of analyzing qualitative data. Therefore, it is important to acknowledge our role in this study as interviewers, but it is also important that we have a sceptic attitude towards the notion that the concepts and reasonings that surface during the analysis of the data are open to changes (Fejes & Thornberg, 2016, p. 63).

2.11. Ethical considerations

According to Denscombe (2014, p. 306), research that involves data collection from or about living individuals generally requires ethical scrutiny. To ensure that our study will be conducted ethically, we will follow four codes of ethics proposed by Denscombe (2014, pp. 309-315) which can be used to ensure that research is conducted in an ethical and moral way which:

- protects the interests of the participants;
- ensures that participation is voluntary and based on informed consent;
- avoids deception and operates with scientific integrity;
- complies with the law of the land.

The interest of the participants should be considered to ensure that all the relevant participants’ interests are represented. As such, information about the types of questions that would appear in the interview will be given beforehand and we will ask respondents for their consent about the type of information we plan to discuss and disclose in the later parts of our paper. Additionally, the interviewee’s identities will be held confidential to the extent of the consensus reached by all interviewees. As such, we will disclose the initials of the respondents when we present them as per our agreements with them. We intend to contact interviewees through email and LinkedIn. The interviewees have chosen to voluntarily to partake in the study and have given us their consent to record the interviews. In addition to having an understanding of the types of questions that would appear in the interview, we will also give the interviewees information about the purpose of the study, the research question and a summary of what we want to accomplish with the study.

In order to avoid possibly deceiving the interviewees, we have spent time on preparing and learning about conducting interviews properly to ensure that the interviewees will feel comfortable with our competencies in the research field and with our interviewing abilities (Denscombe, 2014, p. 313). Denscombe (2014, pp. 314-315) explains that research should comply with the laws of the land the study is conducted in. As mentioned previously we will take measures to ensure that personal information will be treated confidentially.
3. Social identity theory in the context of mergers

In the following chapter, relevant theories within SIT related to mergers are presented in order to ensure that the readers understand the topic and the context of the study. First, we will define the relevant theories related to the formation of group identities and ways individuals categorize their identities. Then, intergroup dynamics and theories will be explained to give a holistic view on how these formed identities interplay. Thereafter, we will define the implication mergers have on post-merger identities where two approaches and their implications on organizational identities are explained. Finally, we conclude with a proposed theoretical framework, describing the post-merger organizational identification process, and how we will use it to find out the nature of the post-merger identity.

As introduced before, an identity is a definition of the self (Hogg & Terry, 2001, p. 3). The definition encompasses all traits and attributes that matters for the self (Hogg & Terry, 2001, p. 3). The broadness or narrowness of traits and attributes taken into consideration in this definition of the self depends on the context, the individual’s preferences and their understanding of what matters in this situation (Hogg & Terry, 2001, pp. 4-5). Accordingly, identities can reach different levels depending on what is salient in the given moment (Ashforth & Johnson, 2001, pp. 32-33, p: 38). There are individual identities, social identities and organizational identities (Ashforth & Johnson, 2001, pp. 32-33; Brickson & Brewer, 2001, p. 51). Organizational identities are enacted when the collective organizational context becomes salient to the individual, whereas personal identities are enacted when the individual level becomes salient to them at that moment (Brickson & Brewer, 2001, pp. 50-51). Changes in situations trigger individual’s reactions, who evaluates the situation and decides on a course of actions. Whether the response, all of their actions will start from an identity salience choice (Brickson & Brewer, 2001, pp. 51-52; Ashforth & Johnson, 2001, p. 37). In the context of mergers, organizational identities are made salient (Terry, 2001, p. 229; p. 233). The organizational identities of each entity usually represent the set of attributes that differentiate them from the other (Terry, 2001, p. 233).

The concept of social identity in mergers has been a topical subject over the last few decades given the increasing of number of reported merger failure (Terry, 2001, pp. 229-230; Giessner, Viki, Otten, Terry, & Täuber, 2006, pp. 339-340). In the context of social identity, mergers are defined as social events which involves the confrontation of groups (Terry, 2001, p. 232). In their pre-merger state, each group had its own system, structure, norms, history, leadership, culture: its own organizational identity (Gaertner, Bachman, Dovidio, Banker, 2001, p. 265). Thus, mergers require group members to compromise their identities so they become one (Gaertner et al., 2001, p. 266). Accordingly, this required change trigger actions and responses as presented in the previous paragraph. Whereas mergers are theoretically on the base of equal partnership, researchers highlight that group members, typically from one of the two merging organizations, rarely perceive mergers as equal or fair (Van Knippenberg & Van Leeuwen, 2001, p. 254).
3.1. The formation of group identities

In the development of his studies to understand human motivation, Maslow (1943, pp. 372-382) highlighted that individuals were driven by the accomplishment of personal needs they feel, namely physiological, safety, love and belonging, esteem and self-actualization needs. The genesis of the categorization process and later identification and membership processes lies under individual’s motivation at accomplishing those needs (Pratt, 2001, p. 14; Moreland, Levine & McMinn, 2001, p. 93). The following subsections explain the process of group formation by presenting three phases which are: the categorization process, the identification process and the membership process.

3.1.1. The categorization process

3.1.1.1. Self-categorization theory

Reality or the social world, whatever the context, is both complex and full of uncertainties. In order to facilitate decisions and actions, individuals rely on the use of categories to reduce contexts of uncertainties and to simplify their realities (Hogg & Terry, 2001, pp. 6-7; Moreland et al., 2001, p. 95). Categories are similar to sorted boxes which label describes the content of the box. Indeed, categories gather sets of behavioral attributes, physical traits that could also include competences, education, family history and demographic aspects (Hogg & Terry, 2001, p. 5; p.7). Hence, only the most salient features are put in the box instead of putting everything in (Hogg & Terry, 2001, p. 7). Salience depends on the context and on how the individual sees the social world (Ashforth & Johnson, 2001, p. 32; pp. 44-45). For simplicity issues, individuals put the most obvious, often most stereotypical features of the categories into the box (Hogg & Terry, 2001, pp. 6-7). In order to make categories practical to use and in order to reduce ambiguity, individuals do not select features that are commonly shared in multiple categories (Hogg & Terry, 2001, p. 7). In the social identity literature, a salient category or attribute is called a ‘prototype’.

3.1.1.2. Group prototypicality

Properties shared by several individuals are the concern of prototypes (Hogg & Terry, 2001, p. 5). The aim of a prototype is to be used as a means of grouping individuals so that those sharing similar features of a prototype are defined the same (Moreland et al., 2001, p. 96). However, it is important to argue that prototypicality is gradient (Hogg & Terry, 2001, p. 5; Hogg, 2001, p. 201). In other words, individuals may more or less fulfill the criteria of a given category, while still being part of it. Member prototypicality is an important element in SIT as it may on one hand be useful in distinguishing members of a group, but it may be used to discriminate the membership status and roles of individual’s part of the same group (Hogg, 2001, pp. 202-203).
3.1.2. The identification process

As mentioned in previous section, the existence of prototypes allow individuals to group certain people together and to define them holistically. However, it is necessary to highlight that categorization is not passive process wherein one individual is told to be part of a category and then defined a certain way (Hogg & Terry, 2001, p. 7). Instead, categorization and identification are dynamic processes, which outcomes are hard to predict as they depend on the relation with the self and the others (Hogg & Terry, 2001, p. 7; Pratt, 2001, pp. 19-20; Bartel & Dutton, 2001, p. 128). Referring back to Maslow’s work (1943, pp. 380-381), individuals have a needs for belongingness. Accordingly, individuals use and accept categories as it makes them feel part of a greater cause (Bartel & Dutton, 2001, pp. 116-117). However, how an individual feels about their group depends on their perception of oneself and of the individuals part of the group along with the group member’s responses when they apply for membership in the group (Bartel & Dutton, 2001, p. 120; p. 124; p. 128). In an organizational context, an individual may engage in different acts of membership claiming towards the other employees whom answer in granting a particular status (Bartel & Dutton, 2001, p. 120; p. 124; p. 128). To make it easier to understand, in the following sections the principles governing identity enactment are presented before the group membership process is discussed.

3.1.2.1. Identity order and salience

Considering the multiple characteristics that could define an individual and the plethora of contexts an individual could fall into, identities are multiple (Kramer, 2001, p. 175; Brickson & Brewer, 2001, pp. 50-51). In the context of organizations, Ashforth and Johnson (2001, p. 31; pp. 45-46) argue that individuals have multiple layers of identities which they enact simultaneously or sequentially depending on which ones are the more appropriate in a given context according to each individual. Ashforth and Johnson (2001, p. 33) pictured the interplay of different identity layers and types in their model of nested and cross-cutting identities in organizations (see. Figure 1).

![Figure 1. Nested and cross-cutting identities in organizations (Ashforth and Johnson, 2001, p. 33)](image)
In their model, they argued that the different levels of identities correspond to the different hierarchy level in the organization (Ashforth & Johnson, 2001, p. 33). Even though all of them are embedded in the highest hierarchical level (e.g. group level or organization level), the resulting identities are more or less inclusive, more or less abstract. The least inclusive and the least abstract identities correspond to the closer to and lower hierarchical level to the individual (Ashforth & Johnson, 2001, pp. 33-34). As mentioned, the enactment of one of an identity depends on the salience in a given context (Ashforth & Johnson, 2001, p. 35; pp. 37-39; p. 41). In a regular day-to-day work situation, high order identities such as organizational levels or group levels may not be salient (Ashforth & Johnson, 2001, p. 37). Hence, an accountant might make their job-level identity salient at work in their own department. In contrast to when they are in contact with colleagues from a different department, they will then disidentify themselves as an accountant and instead identify as a member of the finance department. Accordingly, high order identities are more likely to be enacted in a context of organizational group confrontations e.g. a merger or an inter-enterprise competition.

However, it is important to highlight that other identities can be made salient simultaneously in scenarios presented (Ashforth & Johnson, 2001, p. 43; p. 45). Those identities are called the cross-cutting identities and they differ from the embedded identities in the sense that they are attached to social groups instead of the formal organizational hierarchy (Ashforth & Johnson, 2001, p. 41). The cross-cutting identities can either be formal or informal. The informal cross-cutting identities are drawn from common interests, groups, friendships, families or other demographic ties, whereas the formal cross-cutting identities are drawn from organizational committees, independent regulatory body such as unions locals or even particular tasks (Ashforth & Johnson, 2001, p. 41). For instance, job responsibilities such as managerial ones may require the simultaneous enactment of identities which typically featured as distant in the embedded and nested identity model (Ashforth & Johnson, 2001, p. 45). Overall, simultaneous salience of identities is not rare in the organizational context as workers are social beings with lives outside work (Ashforth & Johnson, 2001, pp. 46-47). Thus, it is possible to understand the complexities of identities and their uniqueness. Each person has different levels of nested and cross-cutting identities which can be made salient given the context, meaning that in M&A contexts, the combination of identities can pose a challenge for companies.

3.1.3. The membership process

3.1.3.1 The claiming and granting dynamics

In an organizational context where the collective becomes salient, an individual will typically depersonalize and enact the appropriate organizational-level identity (Hogg & Terry, 2001, p. 5). Depersonalizing means that the individual will change their perspective to define the self into a broader and more inclusive one (Hogg & Terry, 2001, p. 5). An individual disidentifies as a singular person with specific characteristics and uniqueness to instead identify as a marginal member of a given group (Moreland et al., 2001, pp. 95-96). By the end of the process, the individual’s definition of the self conforms the common ‘we’, ‘us’ or other group prototype properties assigned to the group (Moreland et al., 2001, p. 91; Hogg, 2001, p. 201). To legitimize their membership status towards others, the individual will adopt certain conducts and behaviors which are supposed to be prototypical, that is expectable from the group prototype (Moreland et al., 2001, p. 91; p. 96; Hogg, 2001, p. 201). Those actions denote the process of claiming by the individuals (Bartel & Dutton,
2001, pp. 120-121; p. 127). Forms of it can be made by declaring (e.g. I am a member of the organization Pal, I work in the department of Finance as an Analyst). It can be done through questioning (e.g. When and where do we usually eat lunch? Are we involved in the marketing campaign?). It can be done through equipping oneself with materials or and symbols to legitimize their assertions of belongingness (e.g. using jargon specific to their group; wearing a company common uniform or work outfits) or all of these combined (Bartel & Dutton, 2001, pp. 120-123; p. 127).

In response to these claims, members of the targeted group are expected to perform actions informing the individual if they are accepted as group members (Bartel & Dutton, 2001, p. 124, pp. 127-128). Granting can come through various forms of declaration (e.g. “you are part of team R, you will work with Y & Z in the Marketing department”; “Welcome! You are now one of us”); questioning or informing eventually prompting answers like “how do you feel about our strategy of development?”; informing the candidate about the culture and existing rites e.g. ‘casual friday’; acting (e.g. organizing an integration day, managerial staff introducing their employees to the team, giving uniforms) or all of these combined (Bartel & Dutton, 2001, pp. 124-127). Each different claiming-granting process has different outcome of group membership (Bartel & Dutton, 2001, pp. 125-126; p. 128). The outcome depends on multiple factors (Bartel & Dutton, 2001, pp. 125-126; p. 128). Firstly, the claiming and granting methods used should be audible enough for both parties to comprehend the situation (Bartel & Dutton, 2001, p. 128). Secondly, the group members should be willing to put effort in granting a membership status and the individual should put efforts into claiming it (Bartel & Dutton, 2001, p. 128). Thirdly, the claiming should be appropriate to the situation and to the prototype to maximize chances of success (Bartel & Dutton, 2001, p. 123). Then, the membership result depends on the way group members perceives the individual (Bartel & Dutton, 2001, p. 116; Hogg, 2001, pp. 201-202). The latter being said, a full-membership status is granted when the individuals is declared to at least conform to the ingroup prototype (Bartel & Dutton, 2001, pp. 116-117; Moreland et al., 2001, pp. 96-97; pp. 98-99).

3.1.3.2. Membership evaluation and status

As proposed by Moreland et al. (2001, pp. 88-89), the work group socialization process is a continuous process wherein individuals’ transition through different stage based on granting and claiming membership process. This the outcome of continuous evaluation, review and compromise made by both the individual inquiring membership in a group and the members of the inquired group (Moreland et al., 2001, pp. 92-93; p. 95). The performed evaluations aim at assessing the extent to which the individual will contribute to the goals and the needs of the organization on the side of the organization, and the extent to which the organization helps the individual to meet their own goals and needs, on the side of individual (Moreland et al., 2001, p. 93).

When a prospective member approaches an organization to get recruited, an investigation period occurs (Moreland et al., 2001, p. 93; p. 95). Both the firm and the individual assert whether one another can fulfill their needs (Moreland et al., 2001, pp. 92-93; p. 95). If the outcome of the prior evaluation is positive, the entry criteria is met, the commitment levels of both parties increase to a point where the organization grants a status of “new members” to the individual which is accepted by them (Moreland et al., 2001, pp. 92-93; p. 95). Then, a socialization period starts wherein both parties try to change one another to maximize the accomplishment of their needs (Moreland et al., 2001, p. 93; p. 95). When satisfactory, both parties’ commitment levels increase and they will reciprocate one another’s efforts until they break-even to the point of acceptance (Moreland et al., 2001, p. 93; p. 95). It is only
when they accept one another that the individual is granted a “full membership” status (Moreland et al., 2001, p. 93). However, this status is not definitive, as it marks the start of a new cycle called “maintenance” (Moreland et al., 2001, p. 93; p. 95). During this period, both the organization and the individual will engage in actions to satisfy themselves and the organization (Moreland et al., 2001, p. 93; p. 95). It could happen after a time that the individual and the organization’s expectations diverge (Moreland et al., 2001, pp. 94-95). When the point of divergence becomes significant, the commitment of both diminish and the individual become a marginal member of the group where the individual’s perceived influence is smaller (Moreland et al., 2001, pp. 94-95). As a result, the individual will attempt to become part of the group, thus a cycle of re-socialization begins, in which both trying to accommodate and change one another until they converge again (Moreland et al., 2001, pp. 94-95). If convergence is met, the commitment level raises up again and the individual is granted a full membership status again (Moreland et al., 2001, pp. 94-95). In contrast, the individual becomes an “ex-member” of the group if divergence remains, making the commitment levels drops (Moreland et al., 2001, pp. 94-95). Group membership ends with a period of remembrance for both parties where they look back at their past relationship (Moreland et al., 2001, pp. 94-95). Whereas some cycles may be repeated multiple times and new attempts can be granted, the exit and the period of remembrance can also occur earlier in the process, e.g. during the investigation or socialization (Moreland et al., 2001, pp. 93-94).

3.2. Intergroup relationships

In the previous part, we explained the genesis of groups according to SIT. From this process, multiple groups are created and cohabitate with one another. The following subsections describe the nature and outcomes of this cohabitation according to SIT.

3.2.1. Contact hypothesis

Contact induces reactions between groups. The contact hypothesis proposes that chances of having intergroup conflicts can be reduced by ensuring that individuals meet others from other groups (Brickson & Brewer, 2001, pp. 54-55). The assumption is that if individuals were to perceive others at an individual level, they will understand individual traits of people in other groups, and thereby the salience of the collective identities will be reduced. Further, researchers have proposed different preconditions for contact to be established between individuals (e.g. Brewer & Gartner, 2000, pp. 452-453; Pettigrew, 1998, pp. 75-79). Certainly, different preconditions that are proposed by these authors are contextual, and do not work in every situation. However, they still provide some insight into how organizations can reduce salience of collective identities, whilst improving intergroup relationships. Since authors have different perspectives and opinions, four preconditions described by Brickson and Brewer (2001, pp. 54-58) will be used to describe how organizations can improve intergroup relationships.

The first is acquaintance potential which refers to the opportunity that individuals have in situations to get to know and understand one another (Brickson & Brewer, 2001, p. 55). This is one’s willingness to accept another as a social equal, which can enable intimacy to emerge. Intimacy is an important factor, as it alters people’s motivational state which in turn can open people to accepting new types of information, as well as opening them up to cooperation. The acquaintance potential opens people up to concern for others well-being as well as bring people to a motivational state that primarily does not focus on the self- and group promotion (Brickson & Brewer, 2001, p. 55).
The second precondition is *cooperative interdependence*. This is a specific process wherein individuals rely on the give-and-take interactions based on mutual concerns (Brickson & Brewer, 2001, p. 55). High quality organizational performance is reliant on collaboration between organizational groups, however effective intergroup collaboration is not self-evident. This is due to different groups often competing for resources or having different beliefs of how things should be operated. Competition creates tensions between groups which may invite them to focus on their own self-interest and take on a competitive stance against other groups which deters intergroup collaborations and overall organizational performance (Hogg, van Knippenberg & Rast, 2012, p. 234). Mergers form a threat to one’s organizational identity, as they inherently recategorize two social groups into one (van Knippenberg & van Leeuwen, 2001, p. 253). As such it is important to ensure that there is a sense of continuity for individuals in the organization, even when they work with different groups who organize themselves differently.

The third major precondition is *equal status*. If individuals perceive one another as equal, which can be promoted through relational oriented contact and by minimizing salience or collective identities, it can facilitate successful interactions between individuals easier (Brickson & Brewer, 2001, pp. 55-56). When groups are of unequal status, the risk is that the higher-status group will project their salient attributes – i.e., their identity – unto the lower-status group. Similarly, when groups are of unequal power, the risk is that the most dominant group will project their salient attributes – i.e., their identity – unto the least dominant group. This projection can be done in ways which excludes the lower-status group’s identity defining attributes (Hogg et al., 2012, p. 237). At best, the consequences lead to alienation or disidentification amongst the lower-status group members, which consequently leads them to reduce their efforts and disengage psychologically from work situations (Hogg et al., 2012, p. 237). At worst, it creates an intergroup divide and reduces the ability to create an overarching collective identity (Hogg et al., 2012, p. 237).

Lastly, the fourth precondition is *institutional support*. This is the different norms and policies that influences the motivations and goals of individuals and can be a determining factor as to whether intergroup contact can be effective or ineffective in an organization. Firstly, institutional support can be useful in ensuring meaningful and cooperative contact occurs, secondly uses norms to reinforce, rather than to undermine procedures that can lead to contact (Brickson & Brewer, 2001, p. 56).

### 3.2.2. Intergroup dynamics

In line with the identified needs of self-actualization (Maslow, 1943, pp. 382-383), social identity theorists argue that individuals are driven by a need of positive self-esteem and a sense of worth (Hogg & Terry, 2001, p. 5; Pratt, 2001, p. 17; Tyler, 2001, p. 155; Jost & Elsbach, 2001, p. 183). Individuals usually have a positive definition of the self and when seeking membership in groups, they target high-status group (Tyler, 2001, pp. 230-231). Additionally, they tend to only make mention of the most positive attributes of the group they belong to, which attributes distinct them from others (Jost & Elsbach, 2001, p. 182; Terry, 2001, p. 221). Implicitly, they cherish their membership and protect the status of their group, while resisting to change in group power and status configuration (Hogg & Terry, 2001, p. 3; Terry, 2001, p. 237; p. 242). These refer to the natural and established dynamics in groups.

The latter statement applies to members of high-status groups. In contrast, members of low-status either commit to reverse the current status configuration with their group or
maintaining it while applying for membership in a higher-status group (Terry, 2001, p. 230; pp. 241-242). One of the main reasons of their actions is dependent on the legitimacy the individual accredited to such ranking of status (Jost & Elsbach, 2001, p. 184; p. 188; Hogg & Terry, 2001, p. 4; Terry, 2001, p. 242). In a context where the organizational identity is salient, another significant influencing rationale is the behavior and characteristics of one group in comparison to the other. Assuming that one of the groups has higher-status than the other, i.e. dominant, the dominant group may not feel threatened by the confrontation (Terry, 2001, p. 233; van Knippenberg & van Leeuwen, 2001, p. 255). However, the group may tend to reassert its superiority (Terry, 2001, p. 233). Accordingly, group members may engage in actions promoting their own ingroup at the expense the other group (Jost & Elsbach, 2001, pp. 183-184; Hogg, 2001, pp. 203-204; Gaertner et al., 2001, p. 268). For instance, they could discriminate against the other; exclude them in their activities, referring to them as “they” instead of “we”, showing hostility and distance, engaging in a competition with the other group. In short, treating the other group unfairly in comparison to the way they would have treated their ingroup members, thus the ingroup will display bias or favoritism to their own. In response, members of the dominated group could either ‘fight’ to get granted membership, ‘fight’ to improve their group status or leave if they are force to comply with those behaviors (Abrams & Randsley de Moura, 2001, pp. 144-145). In fact, they will either try to improve themselves individually or collectively so they become acceptable for the other group or they will engage in ingroup bias and actions to make them group stand out (Abrams & Randsley de Moura, 2001, pp. 145-146).

It should be noted that members of the dominated group feel threatened by the confrontation (van Knippenberg & van Leeuwen, 2001, p. 268; Terry, 2001, p. 233). Whereas they may not readily engage in competition, their reactions depend on the legitimacy and respect they accredit to the superiority acquired by the other group and on the apparent permeability of group boundaries (Terry, 2001, p. 236; p. 242). The permeability refers to the extent to which it is easy to pass from one group to another (Terry, 2001, pp. 236-237). If the members of the dominated group acknowledge the superiority of the other and perceive boundaries to be low, e.g. openness and existing job opportunities on the other side, they are more likely show no resistance (Terry, 2001, p. 237; van Knippenberg & van Leeuwen, 2001, p. 251; p. 255; Gaertner et al., 2001, p. 276). Instead, they will deidentify to their present group to join the other.

Conversely, the dominated group would be more likely to engage in collective actions to enhance their own group and show ingroup favoritism if they perceive boundaries as impermeable (Terry, 2001, pp. 229-230; p. 237). In the event that they do not perceive the other’s acquired superiority as legitimate, whether the level of permeability of intergroup boundaries, group members of the dominated groups are likely to show both resistance to the dominant group and ingroup favoritism with collective actions such as competition to challenge status of the other group (Terry, 2001, p. 229; p. 233; Jost & Elsbach, 2001, pp. 183-184). In both cases, the collective actions involve reviewing the parameters of the superiority so that the dominated group becomes superior to the other (Terry, 2001, p. 237, p. 242). Assuming that both groups were of equal status, which is rarely the case, both groups may act as the dominant group, and will try to assert superiority over the other (Jost & Elsbach, 2001 p. 184; Terry, 2001, p. 233; p. 242).
3.3. Post-merger identification

*In the following section, we discuss the potential nature of post-merger organizational identities. Two main approaches are presented as they are prominent in the literature. One of the approaches advocate that the post-merger identity is the continuity of one of the pre-merger identities, whereas the other suggests that the post-merger identity emanates from the combination of the pre-merger identities.*

3.3.1. The continuity of one pre-merger identity

Even though organizational entitativity is an important precondition for individuals to have an organizational identity, it is important to recognize that the individuals in the organization still might not identify with the organization even though it is perceived as a single entity after the merger (van Knippenberg & van Leeuwen, 2001, p. 253). One important factor that is especially important in the post-merger identification process is a sense of continuity (Hogg & Terry, 2001, p. 11). Mergers are often seen as a very effective way of increasing a company’s scope and strategic output. However, in practice, merging organizations can lead to inequality in terms of human resources, prestige and control (van Dick, Ullrich & Tissington, 2006, p. 72). Typically, the dominant merger partner is the one that secures greater continuity, which increases the chances of the dominant partner’s members to identify with the post-merger organization, compared to its less dominant counterpart (van Dick et al., 2006, p. 72).

A stronger sense of continuity amongst members of a dominant organization can manifest itself in a stronger relationship of pre- and post-merger identification (van Dick et al., 2006, p. 72). This is due to the fact that employees from a dominant organization may not have to change their way of work. If employees of a merging organization receive little change to how they conduct their daily work, then they are more likely to preserve their identity, and it will be transferred to the post-merger organization as well. Alternatively, if discontinuity (such as moving to another location, changing managerial structure, or changing organizational culture) occurs it is less likely that the former identities of employees will be transferred over to the new organization (van Dick et al., 2006, p. 72).

As mentioned previously, continuity may be a vital factor in post-merger integration. The issue of continuity has been shown to contribute directly to mergers strategic success and failure, since inherent discontinuities caused by merger strategies have been cited to be a major inhibitor of positive integration (Joseph, 2014, pp. 433-434). Post-merger identification has been found to be dependent on the sense of continuity of pre-merger identity (Joseph, 2014, p. 434). Conversely, pre-merger organizational identity is shown to have the strongest correlation with positive post-merger identification (Bartels et al., 2006, p. 50). Even though pre-merger identification is considered a strong predictor of post-merger identification, in certain cases it has produced intergroup discrimination and friction that inhibits the integration process (Joseph, 2014, p. 434).

In accordance to SIT, mergers alter an employee’s identity, since mergers by nature redraws or dissolves the boundaries of two distinct groups within the merged entity. Mergers inherently threaten the distinctiveness of pre-merger identities and sub-group identification would increase at the expense of identification with the post-merger entity (van Dick et al., 2006, p. 72). Therefore, an important question is what can be done to alleviate negative consequences associated with a merger, especially when continuity is mostly benefited by the more dominant organization?
3.3.2. Common ingroup identity

In the context of mergers, group dynamics are vital as they depend on the individual's ability to have a unique organizational identity in the unified entity. Whereas mergers suggest equality of partners, the equality of the partners is often perceived solely on legal perspectives (Terry, 2001, p. 233; van Knippenberg & van Leeuwen, 2001, p. 254; Giessner, Ullrich & van Dick, 2011, p. 336). According to Terry (2001, p. 233; p. 242), members of the dominated organization will adopt the organizational identity of the legitimate dominant organization if they are given a chance to do so, members of the dominant organization may then elevate their boundaries as they feel their legitimate status quo is being threatened. If boundaries are impermeable, members of the dominated organization will enact their own identity and distance themselves from the other group too (Terry, 2001, pp. 229-230). Eventually, if the legitimacy of the dominant organization or even its superiority is questioned, the other pre-merged company may make their identity salient and engage in competitive behavior (Gaertner et al., 2001, p. 268; Terry, 2001; p. 229).

When the post-merger identity is an extension of the identity of one of the pre-merged organizations, the other members may undergo the process as described earlier. They will disidentify with their pre-merged identity, prioritize their personal identity before they identify to the other group, after which they go through the membership process, making the post-merger identity salient, claiming membership while assessing the accomplishment of their needs. The members of the other pre-merged organizations will respond to those claims by granting full membership, an ambiguous membership or in the worst case by denying membership. Whereas no membership status may remain unchanged forever, ambiguity of membership and denial are not without consequences (Bartel & Dutton, 2001, p. 119). Those usually result in the form of drops in performance, distrust, dual culture, no realization of the expected synergies, anxiety, increases in employee turnover intentions, poor communication and lack of cohesion, i.e. discriminants of a failed post-merger integration (Tetenbaum, 1999, p. 23; pp. 25-28; Vaara, 2002, p. 226).

However, the continuity of pre-merger identities can cause issues. For instance, members of the newly merged entity may stick to their previous way of doing and pre-merger strategy so that the newly established norms and goals are not fulfilled in the post-merger entity (Giessner et al., 2011, p. 335). Additionally, employee turnover can increase in the event some pre-merger groups cannot recognize themselves in the new entity (van Knippenberg & van Leeuwen, 2001, pp. 253-254; Giessner et al., 2011, p. 333; p. 335; p. 339). As a result, scholars advocate the need for an identity formation that will be different from the continuity of one of the pre-merger identities (Gaertner et al., 2001, p. 269; p. 281; Gaertner, Dovidio, Anastasio, Bachman & Rust, 1993, p. 19). The most prevalent post identification model presented in literature is named the ‘Common ingroup identity model’ (Gaertner et al., 2001, pp. 268-269; Eller & Abrams, 2004, p. 229). The model (see. Figure 2) prescribes a recategorization of pre-merger groups into a salient superordinate group identity, with or without the conservation of the two former groups (Gaertner et al., 2001, p. 268). The idea of the creation of this superordinate group is to base the post-merger identity on characteristics shared by members of both pre-merger groups (Gaertner et al., 2001, pp. 268-269). Elected attributes can either be existing or completely new, as long as they allow each member to identify to them (Gaertner et al., 2001, pp. 269-270). The model ascribes four dimensions that precondition recategorization in a common ingroup identity.
The Common Ingroup Identity Model

<table>
<thead>
<tr>
<th>Causes</th>
<th>Mediators</th>
<th>Consequences</th>
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<tbody>
<tr>
<td><strong>Intergroup Interdependence</strong></td>
<td><strong>One Group (WE)</strong></td>
<td><strong>Cognitive Effects</strong>&lt;br&gt;Accessibility of Positive thoughts&lt;br&gt;Generalizability</td>
</tr>
<tr>
<td>Cooperation</td>
<td>Interaction</td>
<td><strong>Affective Consequences</strong>&lt;br&gt;Evaluations&lt;br&gt;Facial Reactions&lt;br&gt;Empathetic concern</td>
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<tr>
<td><strong>Group Differentiation</strong></td>
<td><strong>Two Subgroups In One Group Dual Identity</strong> (Us &amp; Them=We)</td>
<td><strong>Behavioral Effects</strong>&lt;br&gt;Cooperation&lt;br&gt;Self-Disclosure&lt;br&gt;Helping</td>
</tr>
<tr>
<td>Perceptual Entitlement</td>
<td>Similarity</td>
<td></td>
</tr>
<tr>
<td><strong>Environmental Context</strong></td>
<td><strong>Two Groups</strong> (Us &amp; Them)</td>
<td></td>
</tr>
<tr>
<td>Egalitarian norms</td>
<td>Social Influence</td>
<td></td>
</tr>
<tr>
<td><strong>Precontact Experience</strong></td>
<td><strong>Separate Individuals No Groups</strong> (Me &amp; You)</td>
<td></td>
</tr>
<tr>
<td>Cognitive Priming</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Figure 2. The common ingroup identity model**

The first dimension relates to group differentiation attributes, i.e. similarities among the group members (Gaertner et al., 1993, p. 8; p. 12). The use of proximity factors and attributes such as demographic artifacts and competencies favors blurring frontiers among individuals (Gaertner et al., 1993, p. 8; p. 12). The second factor relates to common goals and common problem can create an intergroup interdependence, similar to cooperative interdependence (see 3.2.1. Contact hypothesis), hence promoting cooperation and integration of the two former entities (Gaertner et al., 1993, p. 8; p. 15). The third factor relates to the organizational context (Gaertner et al., 1993, p. 8). Indeed, egalitarian norms and social influence may facilitate the creation of a common ‘we’ identity (Gaertner et al., 1993, p. 8). Then the fourth dimension is rooted in the post-merger contact the groups had, the precontact experience (Gaertner et al., 1993, p. 8; pp. 12-13). Positive evaluation, legitimacy, respect, good reputation of pre-merger groups facilitate collaboration as none of the groups may feel they need to assimilate to the other entity or that their collaboration may tarnish their respective image (Gaertner et al., 2001, p. 268; Terry, 2001, p. 233, p. 242). The psychological consequences mentioned in the model will be highlighted, however, due to the purpose of the study, we will not analyze these factors from a psychological perspective. The behaviors highlighted in the consequence section of the model will be taken into consideration and be attributed to the post-merger organizational identification process.

Whereas some organizations might successfully create one single superordinate group to which every employee will identify to and leave behind their old identity, the cohabitation of the superordinate identity and pre-merger identity are common (Gaertner et al., 2001, p. 270). In that setting of dual identities, employees shift identities depending on their appreciation of the situation. Results from dual identity in organizations are mitigated in research (Gaertner et. al, 2001, p. 270; p. 282; Ashforth & Johnson, 2001, p. 39; pp. 45-46). In fact, a large number of researchers advocate that keeping both identities may benefit the organization as differences and uniqueness promotes creativity (Ashforth & Johnson, 2001, pp. 45-46; Gaertner et. al, 2001, p. 270). In contrast, other authors argue that dual identity is complicated to manage in practice as the two identities may constantly compete (Terry, 2001, p. 229; p. 233; Jost & Elsbach, 2001, pp. 183-184). Subsequently, there is a risk that one identity overtakes the other.
3.4. Summary and proposed framework

In this chapter, we decided that it was pertinent to illuminate the reader about mergers from the lens of SIT and its role in mergers, as it can explain different behaviors, choices that individuals have in their organizations. Hence, we discussed the process of individual identification to group identification in mergers. We highlighted that the multiplicity of identities and their close relation which the individual self. In fact, the salience of an identity is rooted in how individuals make sense of reality and how relevant an identity is in this setting. However, we also explained how identities were a result of dynamic processes including the self and their relationship with the members of the various groups. Whereas the successfullness of being granted membership in the group favored by the individual is highly uncertain, individuals are always assimilated to at least one group. In the context of mergers, this particularly matters. It points out the fact that individuals have their own pre-merger identities. As explained, individuals who perceive their group as legitimately high-status and naturally superior to the other may engage in ingroup favoritism and in actions aiming at preserving their group status. Additionally, high-status group members, who believe their group worked hard to get granted such reputation and prestige, may feel particularly opposed to the merger with a lower-status group. By analyzing how group identities are formed, it is possible to contextualize the different processes undertaken by individuals when they choose to be part of a certain group, and why groups can be inclusive or exclusive towards other groups. Then understanding the intergroup relationships, as well as the biases individuals have towards other groups, and the factor contact has in the post-merger process, it becomes possible to understand how intergroup relationships can coexist and why frictions occur between groups. Understanding intergroup dynamics and relationships is a daunting task as both groups can behave in antagonistic manners as a result of poor management. Low-status groups who might perceive a merger as an opportunity to level up their status, might start engaging in intergroup competition, ingroup favoritism or eventually leave the organization if they feel rejected or uncomfortable with the high-status group. This phenomenon makes it crystal clear as to why mergers are complex to handle for management.

As mentioned previously, there is an increase in post-merger integration failure, and many researchers investigated the different merger approaches to get better integration results. In our paper, we outlined two main post-merger identity integration approaches; the “common ingroup approach” and the “continuity of one of the pre-merger identities” approach. While each of them featured both positive and negative outcomes, the aim of this thesis is to examine how and what is done in practice through different components used in the theoretical framework. Therefore, having an understanding of how management can facilitate the integration of the different groups in mergers. Hence, this is contingent to the perspectives, subjective experiences and knowledge that managers have. The approach used in the study is an interpretivist one, as our objective is to understand the knowledge and reality of the decisions that managers make. Further, this highlights the reason this study is a qualitative one, as gaining an introspective into the depth of managerial choices is possible through the use of qualitative methods.

The process of going from multiple pre-merger identities to a single post-merger identity, whatever its type, is the ‘black box’ we will explore. The nature of post-merger identities and the extent to which they relate to the pre-merger identities will be examined to gain a better understanding of the process of post-merger organizational identification. From this, we came out with the following conceptual framework (see. Figure 3). A and B stands for the different pre-merger organizational identities the two different groups have, whereas the
question mark stands for the unknown nature of the post-merger identity. Given the fact that nature is not well defined, we will first figure out what it is and its origins before analyzing the process of post-merger organizational identification.

A, B = Pre-merger identity
Lightning = Intergroup relationships, which includes Contact hypothesis, Intergroup dynamics
? = Post-merger identification

The cloud is the environment of the merger through SIT. It gathers the components of group formation, i.e. the Categorization process which includes Self-categorization process and Group prototypicality; the Identification process with the Identity order and salience; and the Membership process with the Claiming and granting dynamics along with the Membership evaluation and status. In addition to these components, the cloud gathers the specificity of the merger and group involved

*Figure 3. Proposed framework of the post-merger organizational identification process*
4. Results

In the following sections, we present our findings. In order to familiarize readers with the data, we first provide a brief presentation of respondents who partook in our study and their respective merger cases. After giving this overview, we proceed with the presentation of the results in accordance to our thematic analysis and coding procedures. Hence, the results have been split into four main themes of: the context of the post-merger integration, the role of the integration manager and the integration plan, the realization of the integration plan, and finally the outcomes of the integration and its effects on individuals. These main themes have been split into sub-themes to increase readability.

4.1. Overview of respondents

In order to preserve the anonymity and ensure that the information the respondents shared is held confidential, we have opted to not name the respondents by their full name. Instead, we opted for using initials, which they all agreed to (see. 2.11. Ethical considerations). Further, the position, company and certain specific personal details which could jeopardize their anonymity has been withheld to ensure the integrity of our study. We believe that the age of the respondents is also indicative of their experience with mergers and in industries as a whole, thus we have decided to include it. However, we have not included their gender, as we believe that it is not necessary to disclose that information (see. 2.9. Source critique).

In the following table, we have provided the experience that the respondents have working with M&A and their age to ensure a higher degree of validity. The table also includes information about the date the interviews took place and the length of the interviews. The experience of the respondents is not exclusive to one company, so it entails the experiences of working with mergers throughout their career. The respondents have varying degrees of experiences when it comes to working with mergers, they work in different industries and have different titles and responsibilities. This allows for a nuanced view of how the post-merger organizational identification process works in practice from a managerial perspective. The respondents have worked with both international and domestic M&A, with some having more experience than others, and some only working with domestic mergers and some only working with international mergers. All of the respondents have all worked with mergers in the integration of people into organizations, which is the common factor they all share. Since the focus is to understand the process of post-merger organizational identification, the varying experiences the respondents share can help us understand, discern and contrast certain characteristics. In the following part, the respondents will be presented to give the reader a better understanding of their experiences of working with mergers as well as the examples they brought up in the interviews. In total, the interviews took 12 hours and 14 minutes to complete, and the average interview was 52 minutes long.
<table>
<thead>
<tr>
<th>Interviewee name</th>
<th>Age</th>
<th>Date of interview</th>
<th>Length of the interview</th>
<th>Experience of M&amp;A</th>
</tr>
</thead>
<tbody>
<tr>
<td>DS Respondent 1</td>
<td>43 years old</td>
<td>09-04-2019</td>
<td>00:30:17</td>
<td>10 years</td>
</tr>
<tr>
<td>MH Respondent 2</td>
<td>57 years old</td>
<td>10-04-2019</td>
<td>00:48:05</td>
<td>15 years</td>
</tr>
<tr>
<td>EP Respondent 3</td>
<td>46 years old</td>
<td>10-04-2019</td>
<td>00:56:12</td>
<td>21 years</td>
</tr>
<tr>
<td>PB Respondent 4</td>
<td>52 years old</td>
<td>10-04-2019</td>
<td>00:54:29</td>
<td>25 years</td>
</tr>
<tr>
<td>MF Respondent 5</td>
<td>34 years old</td>
<td>10-04-2019</td>
<td>00:31:45</td>
<td>7 years</td>
</tr>
<tr>
<td>CS Respondent 6</td>
<td>57 years old</td>
<td>12-04-2019</td>
<td>00:19:53</td>
<td>1 year</td>
</tr>
<tr>
<td>HG Respondent 7</td>
<td>56 years old</td>
<td>15-04-2019</td>
<td>0:38:40</td>
<td>16 years</td>
</tr>
<tr>
<td>FL Respondent 8</td>
<td>48 years old</td>
<td>17-04-2019</td>
<td>01:07:15</td>
<td>3 years</td>
</tr>
<tr>
<td>PIS Respondent 9</td>
<td>53 years old</td>
<td>17-04-2019</td>
<td>01:00:14</td>
<td>13 years</td>
</tr>
<tr>
<td>PS Respondent 10</td>
<td>49 years old</td>
<td>17-04-2019</td>
<td>01:04:14</td>
<td>4 years</td>
</tr>
<tr>
<td>AS Respondent 11</td>
<td>50 years old</td>
<td>18-04-2019</td>
<td>0:36:47</td>
<td>6 years</td>
</tr>
<tr>
<td>TK Respondent 12</td>
<td>54 years old</td>
<td>18-04-2019</td>
<td>01:22:06</td>
<td>25 years</td>
</tr>
<tr>
<td>JA Respondent 13</td>
<td>46 years old</td>
<td>25-04-2019</td>
<td>1:34:10</td>
<td>4 years</td>
</tr>
<tr>
<td>KB Respondent 14</td>
<td>51 years old</td>
<td>29-04-2019</td>
<td>00:50:16</td>
<td>25 years</td>
</tr>
</tbody>
</table>

*Table 1. Respondents*

**Respondent 1**

DS is a 43-year old post-merger integration consultant and generalist who has been involved in various cross-border operations and integrations in France and India. DS has been working with M&A for 10 years. For the need of this interview, the respondent presented the case of an acquisition of an English global IT solutions group by a global French Energy management and automation group. DS presented the case of when they worked for the French Group where they were responsible with the integration. The reasons the French Group acquired the English group was to enter a new market via the acquisition of a new business unit, along with acquiring strategic assets and competences for the development of the company. It is important to note that both companies were well aware of one another as they were direct competitors in the US market. The acquired company was significantly smaller than the French Group, as its size was likely to one of their business units. In
addition to this, the English group’s corporate culture were different from the French Group since the French group was more hierarchical and process-oriented than the English group. On the other hand, the English group was more informal, group-based and lean than the French Group. According to DS, the full integration of the English group into the French Group was a success.

Respondent 2

MH is a 57-years old post-integration expert and partner for a global post-merger integration network, who has been working with M&A integration for 15 years. For this interview, MH presented the case of one of their assignments for an American client. The mission was to perform integration work resulting from an acquisition of a German company by an American company. Both companies differed significantly from one another. The German company had an organizational structure opposite to the American company’s organizational structure. The latter was shaped like an upside down pyramid, in which the customer was at the top, whereas the former were more a traditional pyramid in which the customer is at the bottom and the top management at the top of the organization. Accordingly, the organizational culture and processes within the two organization were different, as one of the two were more client-focus than the other. The American company was a global protein food manufacturer whereas the German company was a local manufacturer and grocery of dry-meat. The German company was part of a holding company. The acquisition for the German company by the American company was strategic since the American company was willing to enter a new market, in a new geographic area with a new product. Given the context and the expertise of the acquired company, the integration project turned into a reverse acquisition, in which the German firm legally acquired the American one, which was later reacquired as a combined firm by the holding. According to MH, the integration was a success.

Respondent 3

EP is a 46 years old senior management consultant who specializes in post-merger integration. The respondent built their career at a management consultant service firm, where they have been working for 21 years. During those years, EP was mandated on the integration project of various type of M&A, occurring in different part of the world. For the sake of our interview, EP showcased the integration of a large state-owned telecom company in Jordan by a global French ITC provider. The reason the French company acquired the Jordanian company was strategic. The French company was willing acquire new competences and products to purpose an integrated offering to their customers, in addition to save cost. The two companies were significantly different in their size, corporate culture and structure. The French company was significantly larger than the Jordanian company, along with the French company being more hierarchical than the Jordanian company. The Jordanian company’s corporate culture was more informal than the French company, the average level of education within the Jordanian company was higher than within the French company. Finally, average age of management personnel in the Jordanian company was significantly lower at the Jordanian company in comparison to the French company. After two years of working side by side with the different stakeholders, EP declared that the integration was a success.
**Respondent 4**

PB is a 52 year old post-merger integration and business transformation consultant who has been working with M&A for 25 years in Poland. For our interview, PB presented the case of their client, a Swedish company, which took over a Polish-Dutch company. Both organizations were international. However, both organizations differed significantly in their corporate cultures and in terms of their owner’s leadership styles. The Swedish company had multiple owners and they were more passive in the operation of the company, whereas in the Polish company there was a single owner who was more active as a leader in the company and had a very strong and personal type of leadership. The underlying reason for the acquisition was strategic since the Swedish company was willing to enhance its capabilities and to enter new markets. The two organizations operated in the same industry (plastics and rubber manufacturing) in different geographical areas. After experiencing a significant drop in KPIs from a failed preliminary integration, the Swedish company mandated PB to redo the integration work. The integration led to a success once PB joined and started to work in the integration team.

**Respondent 5**

MF is 34 year old HR manager employed in a Swedish global company, where they have been working on three M&A projects and on the due diligence phase of the projects. Overall, MF has 7 years of experience with M&A. For our study, the respondent showcased the acquisition of a French digital company by their group. The Swedish global company and the objective of the operation was to broaden their digital offer, while acquiring new a product line and competences. Given the context, the Swedish company performed a ‘light’ integration in order to preserve as much as possible operation, key capabilities, and competencies of the firm they acquired. The Swedish company differed significantly from the French company, as the Swedish company’s core activities is to provide machining solutions whereas the French company was specialized in IT. In addition to this, the French company was significantly smaller in size and different in terms of corporate culture and work processes in comparison to the Swedish company. According to MF, the integration was a success.

**Respondent 6**

CS is a 57 year old chief HR manager in a large Swedish real estate company, where they have been working for 9 years. The respondent explained the case of their first merger. In this case the respondent’s company acquired one of the largest property management companies in Sweden. In behalf of operating within the same industry, the number one and the number two operated in the same cities, had the same offerings and were approximately equal in size. In opposition to this, the two differed from one another as one was owned by a pension fund, the two companies had different way of operating, even though they had a very similar corporate culture and way to work. According to CS, the integration was a success.
Respondent 7

HG is a 56 year old strategy consultant who works for a large global Swedish company specializing in weight lifting equipment. HG has been working with M&A for 16 years in both the financial and the strategic sides of M&A. Whereas their career entailed being involved in several operations in different sectors such as healthcare, IT and transportation in different country, they presented the acquisition case of a Baltic firm by their company. The acquisition was an add-on acquisition, where it was supposed to complete an existing portfolio of firms owned by the company in a new region. HG also qualified the integration as ‘light’ given the fact they keep intact the brand and the day-to-day operations of the business but perform change at the top of the organization, while influencing the corporate culture and appointing a new CEO. The Swedish company differed significantly from the Baltic firm. Further, the respondent’s company specialized in weight lifting equipment whereas the Baltic company was smaller in size and were specialized in the pump distribution industry. According to HG, the integration was a success.

Respondent 8

FL is a 48 year old project manager at FT, where they were appointed as a project lead on an integration project their company had three years ago. This was the first time FL was responsible for something M&A-related. The integration project lasted two years before being transferred to another team of experts. The project resulted from the acquisition of an American company located in Brazil by another American company. The two organization was significantly similar in size, in market offerings and values. Both companies were large while counting 20000 employees each and they operated in the technologies industry. The reason for the acquisition was based on FL’s company will to strengthen their market position during an economic downturn, as well as a need to overcome their weaknesses. The two combined organizations reduced one another’s weaknesses and bolstered their competencies. For instance, one of the organizations was very project based and very performant in this area whereas the other was very product-based and very capable in this business area. It is important to note that the two companies were familiar with one another as they had previously worked together before the operation. According to FL, the integration was a success.

Respondent 9

PIS is a 53 year old entrepreneur who became familiar with the world of M&A 13 years ago, when they sold the majority of their shares in an internet gambling company for it to merge. PB focused their career on post-deal integrations projects while joining a network of expert consultants in business integration. For our interview, PIS detailed the merger of two medium-sized internet gambling companies, where PIS was one of the owners of the companies. The two organizations were Swedish, had similar organizational structures, both were significantly young and operated in the gambling industry. The two organizations had complementary market offerings and marketing means. Whereas the two former CEOs assumed the operation were a reasonably good fit and that the merger would help both organizations overcome the economic downturn after 9/11, PIS declared that the integration was partly a success. In the case, many employees were unhappy and left the merged organization.
Respondent 10

PS is a 49 year old M&A manager for a Swedish engineering design and consulting company where they have been working for 8 years. PS has 4 years of experience working with M&A, even though they have been working with the Swedish firm for 8 years. The respondent presented the case wherein their company acquired another one to complete their service offerings. In that sense, they were interested in acquiring the human capital part of it. The two companies had a different culture as the acquired company was a family-ran SME of 50 employees and specialized in transportation and structure design. In contrast, the Swedish firm was specialized in real estate buildings, was private and larger. PS qualified the integration as a great success.

Respondent 11

AS is a 50 year old integration manager with a substantial HR background. For the last six years, they have been involved in integration projects within their organization. In particular, as AS specializes in integration divestments and major transformations and leading cross-functional groups worldwide. For the purpose of our interview, AS featured their experience on a recent acquisition performed by their organization one year and a half ago. AS described the acquired organization as large scale, global and very well-established in comparison to theirs. In addition to this, the two organizations were significantly different culture-wise. The respondent explained that their organization as corporate and quite hierarchical in comparison to the other one, which was very agile and had a flatter hierarchy. Their group is Chinese, whereas the other was Latin American. The origin of the deal came from the Chinese company’s willing to acquire a particular product line, enhance their current market positioning on a particular segment in a particular geographical area. Given the expertise of the acquired firm, they decided to perform a reverse integration, where the CEO of the acquired company became the head of the acquiring company. According to AS, the integration was a success.

Respondent 12

TK is a 54 year old senior consultant in post-merger integration, who has been working for 25 years in M&A industry. They have been working with 35 integrations until now for company from different industry worldwide. During the interview, TK brought up the same case as MH. They were working for the holding company selling the German firm. TK also qualified the operation as a great success despite obvious cultural differences.

Respondent 13

JA is a 46 year old post-merger integration project manager in a Swedish Fintech company, where they have been working for three years. JA has been working with post-merger integration for four years overall. In our interview, JA described the case of an acquisition of a Russian firm by JA’s organization, wherein the respondent coordinated multiple integration projects within the organization for different exposed departments. In the context of the acquisition, the Russian firm was founded by a former top manager who left the respondent’s company. Even though both organizations knew one another at the time of the M&A and both operated in the Fintech sector: the two organizations were significantly different in their corporate cultures, way of operating, size and target markets. Indeed, the Swedish Fintech had 250 employees whereas the Russian firm had 70; the Russian firm was very strong in engineering whereas the Swedish Fintech was very strong in sales and planning. In addition to this, the Russian firm had a more informal company culture.
compared to the Swedish Fintech. The decisions underlying the acquisition was to acquire core competences and a particular piece of technology from the Russian firm in order for the Swedish Fintech to complement their offerings and overcome strong market competition. After eleven months working on the project, JA declared the integration was a success as both organizations are able to collaborate smoothly.

**Respondent 14**

KB is a 51 year old post-merger integration and business transformation consultant who has been working with M&A for 25 years. They have been working on both the transaction side and the post-merger integration side. In our interview, KB described the case of the acquisition an American financial services company operating in Canada (referred as the Canadian firm) by the respondent’s company (referred as the American firm) operating in the USA. Both organizations were American and they operated in similar markets but within a different geographical areas. KB was employed by the American firm and they were asked to run the integration process. The two organizations were significantly different from one another. The American firm was a very large global company with 10000 employees whereas the Canadian firm approximately had 350 employees. In addition to this, the Canadian firm’s culture and hierarchical structure was more entrepreneurial, informal and less hierarchical and less structured than the American firm culture and organizational structure. The reason for which the American firm acquired the Canadian firm was to expand the American firm business line and territory geographically. In truth, the American firm and the Canadian firm were complementary as they also addressed different types of customers. According to KB, the operation was a success despite the sharp increase of employee turnover among the former employees of the Canadian firm.

As shown in the overview of respondents, each case presented is unique in their nature, in their location, time and industry where they occurred. Despite the uniqueness of each case, respondents accounted similar facts pertaining to the nature of the merger and what they perceived as important to consider before the transaction. In the different cases, the respondents were involved in different M&A activities for strategic reasons. HG and MF companies acquired companies to add to their portfolio. This is known as an add-on acquisition. Add-on acquisitions involve integrating a company into an holding, likely to a business unit (Borell & Hegel, 2013, p. 3). In these operations, the holding serves as a capital provider for the integrated firm (Borell & Hegel, 2013, p. 3). The holding remunerates itself through returns on its equity (Borell & Hegel, 2013, p. 3). According to the HG, MF and EP, add-on acquisitions entail lighter integration work in comparison to regular acquisitions, as operations are mostly left unchanged, but top management is affected. The respondents argued that add-on acquisition still require dealing with the human aspect of the organization. As a result, those cases were still pertinent to include in our study since the change of ownership due to the merger have the same implications on group identities.

In reality, the respondents highlighted what an integration manager should take into consideration, and how their decisions in the process shaped their integration strategies and plans. As described in the theoretical framework, mergers create an ecosystem where the two pre-mergers identities are meant to cohabitate before becoming integrated. The post-merger integration managers have a crucial role in this ecosystem as they contribute to its creation and they manage it after the merger transaction. In addition to the pre-merger
identities, the ecosystem gathers the conditions or situation created from the nature of the merger and the conditions created by integration managers to perform the integration work. Based on the thematic coding, we have presented the findings according to themes and sub-themes which details the process of post-merger identification, from the transition the pre-merger identity makes to the post-merger identity from the perspectives of the interviewees.

4.2. The context of the post-merger integration
4.2.1. The nature of the merger

According to all respondents, it is important to be aware of the implications of M&A and its specificities before starting integration planning and strategy, since the amount of planning and the type of integration strategy adopted are contingent on the type of deal, and the size of the merger, the legal boundaries set by the process of M&A. As highlighted by all respondents, there is a due diligence phase which comes before the decision to acquire a target company. The due diligence phase is the time in which the acquirer becomes more acquainted to firm thanks to an appraisal of its contracts, liabilities, assets and hence, opportunities and risks (Howson, 2017, p. 6). This phase is crucial as it determines whether the acquirer wants to pursue the purchase and under which terms (Howson, 2017, p. 6). PS, EP and JA described the due diligence as a formal process which legal formalism, prevents organization to have good insight of the organization they are willing to merge with and to assess the fit with our own. According to the three respondents, due diligence is not the standalone cause of the issue. Instead, they argued that this issue pertains to the complete framework of the procedure of going into a merger. PS mentions that the procedures only allow sparse information to be shared for discretionary, competitive and legal reasons.

“We were approached by a broker who said: "we have a company for sale." "This is the kind of service that they provide, are you interested?" Then we signed a non-disclosure agreement to get access to more information. Then we were allowed to send an indicative bid of how much we wanted to pay for that, and that was all based on their overview and background data. So we did not know at first what company it was. (PS)"

In such setting, respondents admitted that there is no room for acknowledgement and assessment of the company culture, which the three respondents believed to be a problem with the process. MH, TK, CS and DS pointed out other sources of missing information. They mentioned that even with the amount of information that can be gained through the formal process of mergers, whether it is through banks, brokers, market analysis or companies approaching them, there is never really a sufficient amount of information you can possess before evaluating the profitability of the organization being merged or acquired with. Accordingly, they said that it is hard to know if the synergies will be met after the merger happens, regardless if you have planned them out or not.

“A lot of times when you have signed for trust of regulatory approval and they have accepted your bid, you will have access to more information. Then you will see if your assumptions are correct or not. So I have always been saying that 50% of the synergies that we identify in the pre-deal, they go out the window, and once you then close the deal and you have access to all the information, you will have to do that analysis and calculation again. (TK)”
The respondent mentions that it is necessary to be aware of the limitations of going into a merger, as well as being aware of uncertain factors that may arise, e.g. cultural differences. The respondents all believed that an understanding of the different cultures once joining forces can alleviate a lot of work and stress in trying to figure one another out. As TK explains it:

“For me corporate cultures are a set of entrenched behaviors that defines how a company can get things done. That is essentially what corporate culture is. It just boils down to behaviors. (TK)”

As such, the respondents believed that there needs to be some level of cultural understanding established of the other organization. Thus, spending resources to alleviate the problems associated with cultural differences such as language barriers, different mindsets, different expectations and different work processes are necessary. CS, FL, JA, PS, PIS, MF, PB and EP agreed with TK’s view. In all of the cases, the respondents highlighted the differences between the groups about to be merged. While respondents highlighted the differences at the business and industry levels, they all reported differences in corporate culture, even KB whom acquired company was the same nationality as hers, thus operating in a different area. FL made a remark on culture stating that there are always differences in values and cultures even with the context of strong cultural differences. EP extended that assertion sharing that fostering communication on the end-user, i.e. the client, created commonalities and greater commitment to collaborate.

During the interviews, we wondered whether corporate culture influenced processes and decision making. According to EP and FL, the two were strongly related. They pointed out that different corporate cultures result in different organizational structures, which in turn result in different processes and way of doings. Accordingly, they concluded that leaders cannot have the same integration expectations depending on how far the two groups differs from one another. TK and MH also reconciled cultural differences with differences in organizational structures and hence, processes and decision-making, saying:

“The US company was shaped like an upside down pyramid, where the customer was on top, and the management was below trying to support the people meeting the clients [...] And the German organization that they bought had a very normal hierarchy, like a pyramid. So they had the factory manager at the top of the pyramid. (MH)”

” [Company name] was a very top down structured company, whereas the American company was a flip down pyramid. You need to understand that a flip down pyramid that the CEO is all the way down, next level is the corporate level, then it’s the directors and managers, that is essentially how it works. The CEO gives directions, and the corporate level empowers the next level to do what they need to do. And there is a need for empowerment, but also responsibility comes along with it. If you compare it to the pyramid at [Company Name], had used the second layer to go with every different decision to go to the top guy. (TK)”

AS and EP highlighted the benefits of having a cultural fit in organizations to prevent eventual hardships in integration. More importantly, EP mentioned that the cost of integration related to cultural differences should be taken into consideration before going through with the operation, as it may result in more or less losses in resources. According to all respondents, commonalities in corporate culture is vital since it facilitates the process of integration.
The way the respondents engaged with employees to understand their different cultures came through meetings with the management and also through town hall meetings at day 1. This means that the integration is effective and there is a change in ownership control. Town hall meetings are typically held in the early stages of a merger where management and staff from both organizations’ come together and meet the staff from the other organization. To which extent the town hall meetings includes all members of a managerial staff or how many employees from each company show up depends on the companies and how important they feel it is for employees to meet. In all cases, the town hall meetings were important to facilitate a common culture and to expose individuals to one another. Thus, for most respondent’s cases, the managerial staff were present in these meetings to meet the employees from the newly acquired organization. The amount of individuals from both sides depends on how reliant they are on each other’s processes, and as such, for certain deals like DS, PS, HG and MFs’, it was only necessary for managerial staff to travel to meet the other company, since they felt that they might not need work with each other directly. Whereas in the other cases it was due to how entrenched their processes would become after the merger, as such meeting one another was worthwhile. By meeting one another, it becomes easier for individuals from the organizations to establish an understanding of who they are working with.

4.2.2. The creation of an ecosystem for the integration

Giving the context of the merger, all respondents highlighted the importance of setting conditions in the organizations to prepare the integration work. The scope of the preparation differed among respondents.

Establishing an integration team was mentioned as vital for respondents to lead the success of integration and thereafter the realization of expected synergies. In fact, all respondents mentioned the importance of having a team of people working together to plan and facilitate the merger process. However, how this team should be established, as well as the importance of the roles in this team varied between the respondents. CS, EP, MH, TK, DS and PIS all believed that the people who are in the team should have some people who are external, and who can bring more of an unbiased view to the operation, whereas MF, KB, FL, AS and HG all believed that the acquiring company, or the merging companies can together create a team. The argument was that the organizations are the ones who have the most experience and that the people within the organizations would best know what functions are the most important. However, they also stressed that there needs to be an integration manager who facilitates this process and makes these decisions in conjunction with them as well. By using functions inherent in the company such as the HR, Finance and Auditing functions, and having them work together with the opposing company is what they believed to be the most important, whereas CS, EP, MH, TK, DS and PIS argued that outside help can facilitate this process. However, DS, FL, EP and KB conceded that this was not always a possibility, as such it was important to adapt the process of establishing a team based on the scope of the operation and the available resources. To establish an integration team, EP and FL mentioned that it is important to spot out the leaders who will make these decisions and empower them to make the decisions, whether they are in the team or not.

“The first thing to do is to identify the change agents in the organization and ask them to proactively take that steps to help with integration. So you profile the people that you always see in the organization that are more akin to work with the others, to be with the others, listening to the others, who are more into facilitating relationship and so on. This is really
about using those people wisely and then a lot of things is around being dedicated to solve business issues. (EP)”

After setting up the integration team, CS, FL, JA, PS, PIS, MF, PB, TK and EP identified the importance of assessing the opportunities and risks within the organizations, pertaining to the integration, before moving to the planning of the integration. In every interview, the respondents stressed that companies often overlook the effects the mergers can have on the day to day work on people. In addition to this, PB also stressed the importance of planning at the right moment. PB advised that it was important to start making the plan after the due diligence so that it is ready from day 1 and onwards. The respondents admitted that the plan for integration can be very elaborate. Thus, PB stressed the importance of keeping the plan flexible and warned not to overdo it, as events may arise during the integration and an inflexible plan may become obsolete. For such reasons PB, TK, JA and DS mentioned that it is important to not spend too much time on planning, as it can become counterproductive.

“Fast but not early. What is important is not doing it before you have access to data because the planning is based on the people. Due diligence is a process from last month, and the people like the production manager starts to make a fine planning before the companies see each other. And then you should make the plan, and after that you look at the company on day 1, it’s a different company. “But okay” they might think. “I spent so much time on the planning, and I will do it without changes, because it will be too much for me”. So you want to do it fast, but not too early. And so, what is important is the time and adapting to changes in the plan. (PB)”

In order to successfully integration, integration managers highlighted that having a plan made of a set of planned actions were not enough. In reality, they mentioned the way of conducting the integration work is as important as the selection of actions part of the integration strategy. How to integrate refers to communication efforts, timing of the plan and reviewing during the process. These findings are presented in the following section, before presenting the findings on the outcomes of all their deployed integration procedures on individuals who are part of the organizations.
4.3. The role of the integration manager and the integration plan

4.3.1. Identifying and retaining key personnel

An aspect that the respondents all believed was important to consider when going into a merger was to try to retain key members of staff in key functions. This is a vital part of the integration plan and it involves the individuals that are directly related to the integration process, and key functions in the organizations, and therefore the success of the merger. The respondents viewed employee retention as an important factor and as a key performance indicator (KPI) to evaluate the success of the integration. As such, clarity about the outcomes of the merger is something that all of the respondents believed to be necessary to establish as soon as possible in the integration process.

“In the beginning, I took key people to one room, and I let them know our vision for this acquisition. This is important as these key people are those who are directly related to the integration process and its success. This worked well because initially we had the teams working separately, but they knew about what the expectations were and how the plans of the integration would be set in motion. And through the workshops, people get to meet and talk to each other, which helped in integrating them to the same teams. So I believe that if you do things well in the beginning, everything after will become easier. (DS)”

Due to how different each case was, and the strategies deployed by the respondents in their cases, the ways in which they tried to retain key employee varied. DS mentioned, it is important to be transparent about the ways in which you communicate the expectations and plans about the integration, as well as how the future will look like. This is something that all of the respondents agreed on, but the persuasion techniques were different. For instance, DS mentioned that in their case they used incentives to retain key individuals through rewards systems based how long they stayed after the merger and how well they performed. In contrast, MF, CS, KB, JA, HG and AS made it clear that it is important to brand the merger as an opportunity for employees. This is done by specifying the opportunities that the merger has for the career development and the new things they are able to achieve in order to persuade and retain both key- and regular employees. Importantly, JA recognized that this does not always work, so they believed that instead, it is important to be honest and straightforward, which is a sentiment that PS, FL, EP and PIS shared.

“Even though you’re out, it’s better to know than to spent months worrying about if I’m going to stay. That actually adds a very bad environment which is not productive. So you have people talking about "what’s going on?" instead of working. (AJ)”

In contrast to most respondents, MH, TK and EP believed in the use of psycho analytical tools and behavioral tests to better understand what individuals will want to work with, how they feel about the merger and if they are receptive to working with new people. The respondents argued that these tools are not replacements for talking and communicating with individuals, rather, they are used to support managerial decisions.

“So when you pick people it's not about what people can do. You both can do a lot. You have done a lot in life that you didn’t like but you did because you could do. But if you think about when you seek a job in the future, you will seek out based on something very different. Like what you want to do, what you really will do, and what you are really burning for. Your passion. And if I hire you with the passion burning, then I have the right person. (TK)”

The argument was that it is important to look beyond the key performance indicators and the few interactions managers have with people, to instead try to gain an understanding of
their underlying motivations. MH, EP, PS, TK and JA believed that the process of identifying key people should be carried out by having the needs and motivations of people in mind. All of them believed that it is important to create a dialogue with people to understand what their expectations are and what they want out of their responsibilities, so that they can establish an understanding of who gets to do what, and their influence in the process. Thus, MH and TK took a step further this and argued for the use of psycho analysis tools to analyze and understand intrinsic and to know what they are most comfortable working with. This way is an interesting tool to help with the establishment of teams. Whereas the traditional way is having an integration manager, either internal or external who can take it upon themselves to create a team and facilitate the process, MH, TK and EP sees these tools as a way of not only establishing teams, but also for hiring and for making HR strategies.

“We conducted psycho analysis. If you build a team, you use an analysis to determine the goals of the teams and you try to unleash the ability of the total team. And if you take it in football terms you cannot only have Zlatans. (MH)”

However, as stressed earlier, these should be used in conjunction with other methods and interactions with employees.

“[…] you need to manage this so it does not create conflict but you need to just be active with the staff such that it feels normal to do it this way. It is not about trying to be nice, you still have to be direct and it is necessary if you want to create more value. (EP)”

For KB, it was necessary to use the prospect of a career in the organization they worked for as incentives in order to retain individuals. However, the issue was that some individuals were reluctant to stay as the previous organization and the new organization were too different. The respondent explained that the work responsibilities and the scope of work were less, but in return, the employees had a chance of progressing within the larger organization which was intended to motivate them. For AS, it was important to ensure that individuals had a say in the process, whilst reassuring them about how the organization and the future would look like. As such, the management would listen to the recommendations of both companies as to how work processes should look like.

“So the way we did this is by involving people in designing the future organization and getting involved in shaping it. The key thing was that after the closure we settled the leadership team. So again, if you’re moving people around into different roles and so on, have others that clarity first and try and secure people in their jobs. This is Number one. And then in terms of holding workshops to design what the future organization is going to look like. What the organization is going to look like, what are the ways of working? What are the key attributes for culture? […] rather than it being given to them, they were part of actually shaping that. (AS)”

Another important factor to consider is that many people will want to leave for various reasons, and as such, the respondents believed that it is important to respect that. On their side, it is important to relay the benefits of staying, the opportunities and the positive aspects the operation has on their work.
4.3.2. Reducing uncertainties and building trust

As EP mentioned, it is important to clarify the reasoning behind managerial actions in such a way that it does not feel unnatural or unwarranted by the staff. More importantly, KB and AS argued that it is important to share the long-term focus with the employees for gaining the respect and trust of employees. As such it is important to ensure that the actions are very clear and justified is something all respondents believe. This sentiment was shared amongst the respondents, however their motives for doing so vary. For PS, EP and FL, it is important to set clear expectations on individuals when having a merger. For them, it is equally important that the leadership in the organization shows respect by being transparent, and that employees reciprocate that respect back by fulfilling the expectations set by the managerial staff.

“What I think we could have done better, I mean it was not done bad but we could probably have done better was that we could talk more to people in leading positions about our expectations on them in this process and then going forward. I mean they were involved, but instead of for example forwarding questions right away and trying to see the information, they can be allowed to try taking bit more initiative for themselves. Especially in terms of leadership that more of what we think characterizes good leadership. (PS)”

As such, setting expectations is important, but also ensuring that individuals can take initiative is also integral. For JA, MF, TK, CS and PB, transparency allows trust to emerge in the new organization. This is important as it enables and empowers people to take decisions by themselves, which they believed to be crucial in the initial phase of the organization. Building trust through workshops and explaining the reasoning for actions, whilst empowering individuals is important in this process. MH explained the consequences when individuals are unable to make their own decisions:

“For instance, if you watch some people in a room, and you ask a question to someone, for instance the logistics manager, and the first thing he does is that he looks over his shoulder to ask that person a logistics question. The head of the factory nods as if to say, ‘you can answer it’. This is to low mark. The high mark is you have the person answer the question straight away, without hesitation. (MH)”

The content of the planning of each function’s role and how collaboration will be achieved in the newly merged organization depends on the respondents. MF and DS stressed the notion that it is important to reduce stress in the early phases of the merger integration. They emphasized that the early phases create and enhance uncertainty and anxiety amongst staff. Thus, they believed that as soon as the merger is announced, it is vital to guide individuals from both organizations to ensure that they collaborate. When reflecting on what could have been better in their merger, AJ explained that having a weekly or biweekly newsletter would allow him to set expectations and build trust easier during the process, as it would allow people to know what to expect from the merger in the different stages.

HG, PB, PS and PIS argued that it is important to enlighten management and those operating on a strategic level about the process of integration, more so than the individuals working in operational roles. However, just like every other respondent, they argued that it is also necessary to ensure clarity about the process for those engaged in it, in particular for management, so that they can take the correct decisions. Other respondents argued that all employees should be involved in the process to some extent, regardless of position. Due to the uncertainties, all of the respondents stressed the importance establishing a plan of who will do what, employee retention plans, and how individuals will be impacted by the merger.
Furthermore, they all mentioned the necessity to plan for different levels in the organizational hierarchy, how the strategies should be executed, what should be communicated, and when and how day to day work will be facilitated in the organization. Although MF, PB, KB, HG and DS agreed, they believed that this is dependent on the scope of the merger deal, as well as the strategy going into it.

“It depends on the size and how different they are inherently. So when we acquire a really big company who have been their own company and coming into this big group and I think it takes a longer time. (MF)”

In this aspect, the respondents emphasized the importance of leadership in the pre-merger process, as well as during the process, but also finding and empowering change agents to help facilitate the process. Most of the respondents believed that the process of establishing the teams are done through choosing the heads of the departments, or through external help in conjunction with internal resources.

**4.3.3. Empowering individuals**

The respondents believed that it is important to give support to individuals and empower them when they undergo this change. This can be done through holding workshops, having conferences and mentoring key members of staff. MF, EP, CS, TK, MH and KB mentioned that they would complement these strategies by having surveys to see how satisfied people were. In particular, FL, AJ and KB believed that it was imperative to engage with individuals directly and to ask them how they perceive new changes and see how they could improve their situations. In contrast, MH, EP and TK believed that surveys can be complementary to behavioral tests as mentioned previously. Finally, DS, FL, PIS, JA and PB explained that they believed it is necessary to engage in workshops and to expose individuals to one another to align behaviors and to establish an understanding of them. This way, people would be more likely to confront them or other managers since they would feel more secure to do so. Importantly, the respondents all believed that it is necessary to identify key personnel in the integration process. By empowering these individuals, it becomes easier to facilitate the integration process.

“[...] you encourage key persons become the filter between the groups. When the filter disappears, then you will have big cultural tensions. (EP)”

By filters, EP explained that these individuals help facilitate the process of integration. At the same time, if these individuals leave, it can cause other individuals to be more dismissive of the organizational culture and potentially leave. With this in mind, all respondents emphasized that it is vital to build a culture of trust and openness, so that individuals want to go forward to share their uncertainties or opinions. They believed that using meetings such as the town hall meeting, company events, quarterly meetings and workshops are all important ways to integrate individuals to the organization. However, to integrate individuals, it is important to get people to feel part of the organization is what the different respondents argue.

“When we have closed the deal we want to have access to them as soon as possible, because we want them to see that we are of flesh and blood. However, we don’t believe in having a lot of social integration meetings and stuff like that. One or maybe two, fine. But then we say that you get to know your new colleagues by working in the same projects. By doing business together that's when you really get to know each other. So focus on doing business and maybe involving one or two or more of your new colleagues when you have a project
going up. Instead of just have social gathering which takes time. We are a consulting company, and we want to charge the customer for our time as much as we can. And if we arrange a big social gathering or happenings and stuff like that continuously it takes away our time and that's the sort of cruel reality. (PS)"

As PS mentioned, it is relevant for the organizations to include individuals in the collaborative process, even though there should be a limit to how much time you spend on it. However as previously mentioned, it can depend on the different cases. For HG and MF, it is not as necessary to make these companies they have acquired collaborate with their own organization, due to how different their work is from one another. Still, in MF’s case they had to ensure that the different organizational functions of both companies would align, whereas in HG’s case it was not as necessary. In contrast, for all of the other respondents, it was important to ensure that they could align each function directly to one another. To ensure continuity and to make sure that the operations were not disrupted, the respondents tried to make sure that individuals collaborate. The way in which the respondents facilitated this process varied from one another.

4.3.4. Maximizing synergies through a smart integration

Ensuring that synergies are met through the merger is one of the most important functions an integration has. Therefore, conducting the integration requires one to maximize the use of resources. By smart, the respondents meant that the processes and resources should become more optimized in the newly merged entity. Further, the respondents had different views of how they could reach a smart integration. Some believed that it was important to ensure that both organizations got to keep at least half of their internal processes, whereas others had gone further and elected processes that were the most efficient in each organization. As a result, parity was not the focus of their actions.

The decision-making processes and actions of managers need to make sense throughout the organization in order to appear as fair and legitimate for employees. The responsibilities and roles employees are assigned is one aspect all respondents believed is important. Again, when it came to assigning roles and functions in the organization, the respondents largely had the same approaches. Most of them believed that it is important to use the management from each organization’s department to identify who should do what in the new organization. Whereas this is usually the most common way to determine roles, as the people who work there usually have an understanding of who does what better than those from the outside, PB, PIS, CS, MH and TK believed that this can lead to individuals who might feel disenfranchised. The respondents explained that in order to improve on processes, it is important to use both external and internal perspectives. This is further exacerbated by the fact that managers can typically be biased as well towards their own employees, so having an external point of view can be beneficial for both parties going together.

“You just need to pinpoint which ones are not working in this particular case then you need to help these persons who are involved to perform. Sometimes it means bringing in people from outside. Sometimes we can do it ourselves. Sometimes they can do it ourselves with a little help. So you just need to juggle around as a project manager to help people perform. (PIS)"

This is perceived as important amongst the respondents, as biases towards one's own way of working can manifest. Thus, having an external perspective can be useful in order to make people agree on work procedures, without appearing biased.
“So what we did was that we took in an expert, an external objective person who analyzed both of the setups. So it became our setup that was the best then. Or at least according to this person. So we chose this one. And there is of course people who will feel that disappointed that we put in a lot of money and work into this other platform. But it is just how it is sometimes. (CS)“

When it came to layoffs and choosing which staff from which side gets to stay, the respondents agreed that it was necessary to evaluate work processes side by side. Otherwise, it can create competition for resources, customers and behaviors which can negatively affect the performance of the newly formed entity. The challenge is to make sure individuals do not feel deprived and frustrated due to losing their old work processes, which sometimes could be the better way to conduct business. Respondents presented their ways of mediating and compromising. As such, they emphasized that companies are required to evaluate the most vital and best performing functions of both sides. The motivation for this is that it is necessary to ensure that the company will run smoothly after the merger with little down time. For DS, MH, MF, HG, EP, FL, TK, JA, KB and PIS, it was necessary to engage with individuals from both organizations to see what worked best, then make the decision of what to keep and what to remove. This was either done through engaging with relevant managers or key persons, or directly with employees. The respondents argued that being direct and showing transparency is the most important thing. In contrast, although CS, PS, AS and PB and agreed with the other respondents and they stressed the importance of ensuring that there is a conversation with the involved parties and that displaying willingness to compromise from a managerial side is vital to gain the employee’s trust. Furthermore, they continued explaining that if there are processes that are superior which are chosen over another, it is still important to be direct and show that you at least tried to evaluate which works best in a transparent way.

The respondents all worked with different strategies of acquisitions. Essentially, some of them did not face these problems during their integration. In the following section, we will explain about how those who dealt with the issue of competition did it. As MF explained, it was not necessary to micromanage companies and their processes, especially if they would not be entrenched in the respondent company’s processes.

“Then the biggest change, if you look at our organizational culture perspective is that [our firm] is a big group with different companies which all are included in our strong corporate governance. We have changed our structure from a centralized to a decentralized setup. This company was about 100 people, so within our big company and our big business area that has many different companies, it could be a shock to tell others to do what we do, and to change their way of life essentially. Especially if you are a small company that is used to being flexible and people having varying roles. (MF)“

In MF, HG, PS and PIS cases, it was still necessary to integrate these companies to their own in some capacity, which means slowly changing some their internal processes to match theirs in ways i.e. how they report their work, using a common platform, and aligning their management with the respondent’s strategically. However, for each respondent, regardless of the type of deal as MF highlighted, the cultural aspect of the merger is very important to take into consideration. Aligning the companies means sharing processes.

“And also when it came from information sharing, they were still using their systems and application in their intranet, and we had ours. So really getting them to have contact with
ours was hard to get them to the intranet. So it was difficult to get access to them consistently initially, so it didn’t feel at first like they were part of [Company Name] at least. (MF)”

For MF, HG, PS and PIS, it was important to keep the processes the same, but in order to get people to use their systems, they had to understand how receptive they would be to these changes.

4.3.5. Fostering collaboration

When it came to facilitating collaboration, the respondents mainly believed that it was up to the integration team and the management from the organizations to ensure that there is collaboration between similar functions. However, aligning functions was not the main reason to facilitate cooperation in organizations. It was also necessary to create cross functional teams, where individuals from both organizations engage with one another, regardless if they have a similar job titles or functions.

MF, CS, DS and HG explained that it was important for the integration team and the organizations together to ensure collaboration. For HG, it was important that the management of the acquired organization collaborated with their organization, and that the organization HG worked for would change some of the processes to integrate them into their processes. For MF and CS, the objective was to scale the merged companies’ operations with theirs. By aligning functions and adding new routines they had the different teams work together. For DS, it was very important for the integration team to facilitate the process of integration in the merger. In particular, CS and DS had to spend a great deal overcoming the cultural differences the companies have through workshops and having them exposed to one another.

“There were a few things we did in terms tackling culture. We held workshops for the other company’s managers to help them understand how the process will work. But this was not only for management. This was for everyone in top management, but also for middle management and normal workers. This was done to ensure that everyone would know how we are going to manage this change. (DS)”

For PIS, AS and KB, it was important to establish how collaboration would work in the new organization at an early phase. PIS emphasized the importance of setting up targets that they wanted to achieve with the merger, and the roles individuals have in achieving these goals. The argument was that by discussing processes, their value to the operation and to ensure that processes do not overlap, it becomes easier to facilitate the process of integration as individuals are on the same side. KB and AS also approached it similarly to PIS. KB believed that it is important that the functions align directly through a common understanding in workshops from management, and by doing so, it becomes easier to facilitate integration. Although AS agreed with PIS and KB, the respondent argued that there was a need for employees to engage in this process as well, as they were the ones who possessed knowledge about their work processes. Therefore, empowerment becomes an integral factor in planning the post-merger collaborations.

“As I said they were all involved in designing how their organizations were going to fit together. […] by being able to shape the organization and then being able to have ownership of your job, then you will know if they will have concerns or if they will show any resistance. (AS)”
AJ, PS and FL agreed with AS about empowering employees to take part in the process. Although in their cases the employees were not part of the process. Instead, they as managers had to ensure that individuals would take the initiative to establish contact and start working with the acquired companies’ employees. AJ explained that, by establishing knowledge sharing practices and promoting a culture where individuals could make their own decisions, it was possible for them to take actions during the process and collaborate whenever needed. Still, they acknowledged their function in the process was to ensure that they actually did work together wherever needed. FL concurred with AJ and asserted the importance of leadership in the process. Similar to PS, FL stressed the importance of setting expectations on employees. PS and FL explained that it is important that individuals do their part in the process as well.

“But I think throughout this process we were very clear to all of them, the employees in particular that if it is going to be good, it’s very much up to you. You need to be joyous and extend a hand and make contact with your new colleagues that you’re getting and actively seek information. Because we expect that from you, and in particular from managers. (PS)”

MH, TK and EP argued that for their cases, instead of solely relying on traditional ways of facilitating collaborations, it was important to use tools to understand the motivations, and how well people would work together with one another. By using these tools, the respondents argued that it was possible to understand what practices worked best. Importantly, these tools were used to assist traditional methods explained by the other respondents. MH, TK and EP were mainly in agreement with DS, MF, CS and HG.

In order to facilitate collaboration, the respondents all argued that it is imperative to have common goals and objectives that all parties need to achieve. The magnitude of setting up these goals cannot be ignored, as otherwise it can be hard for employees to know what to do, or to trust new initiatives.

“You have to create an environment where the people create and share a common objective. And I think it is one of the most powerful things is to get people to work together by having a vision of where we need to go and show that in terms of objectives. This is what we need to know and do in the next 6 months, years, etc. (MH)”

Although all respondents clarified for us that there is a need for common goals and objectives to exist so that individuals know what they are working towards, most of them argued that these come in the form of sharing the company vision and the tangible goals of the deal, such as reaching certain KPI or value drivers. In contrast, some of the respondents believed that it is important to find commonalities that employees which engaged in the former organizations could work towards and relate to. This common factor was often customers. DS, CS, EP, PIS, AS, JA, and KB explained that it was necessary for all employees in the organization to understand that they were working towards a similar goal. According to KB, individuals from the acquired company were initially engaging in competitive behaviors such as not sharing customers or not being transparent with their work procedures. Hence, it was important for KB to align the functions together to ensure that individuals would work together, not against one another. The aforementioned respondents agreed with this as well, as establishing the goals early is imperative to ensure that individuals do not overlap their work.

“One thing that makes this works very well is to focus on the client. Because if you have a civil servant with 30 years of experience in the supply chain management, and a young graduate coming to your country to the mobile sector, in the end when you start discussing
with both people and you ask them about: “How do you see your client? What did the client tell you?” Generally they will start talking the same way about it. So this is generally the way we start to integrate since this is the smoothest way to create something in common. (EP)"

One of the most important reasons as to why companies merge is to gain increased benefits from synergies. This essentially means that the combined value of the two organizations would become greater if they joined forces rather than if they were to operate separately. As such, the respondents felt that it was important to highlight the synergies as early as possible before the deal was made. Even though the respondents believed that it is necessary to reach the synergies, the way the goals are communicated depends from case to case.

4.3.6. Reducing tension and competition

DS, EP, CS, KB, JA, TK and PB had to consider the aspect of competition in their cases. Due to the nature of their deals having some or most of the employees of each organization’s work with similar roles and work processes which are closely related, it prompted them to deal with competition in different ways. In the case of EP, they felt that it was important to create a cultural strategy to understand why people from other organizations would act in certain ways. This was something all of the other respondents had engaged in before the merger, however EP emphasized that it was necessary to use a cultural strategy to understand why people from different organizations with different corporate cultures would act differently from one another. The respondent explained the necessity of combining and promoting the best aspects of both corporate cultures, to create a “new culture”. This is something that JA and PB also did in their cases, however it was implemented differently. For PB, it was important to engage with the employees to see how receptive they were to changes in processes and would make compromises and highlight them to the employees. This meant taking aspects that both sides were fine with using from each other in terms of work processes and best practices and implementing them. Even though JA agreed with PB and EP, in JA’s case it was important to distinguish the departments and groups and how receptive they would be to change their work processes. The respondent explained that different roles are more likely to be receptive to changes such as sales, so it was important to focus on reaching compromises with other groups such as the engineering staff who were perceived to be less receptive to changing work processes.

“You always see a lot of prima donnas in engineering who says “this is the right way to do it” and "my way is the only way". We have a little bit of that and they also understand that they are all at risk. Whereas the sales people who had been competing with this company in the market, they were very happy. And they were excited that we were going to get this new technology that they were pretty well aware of. Because we had been head to head many times. So for many people, especially in the US, especially the sales team were cheering and opening champagne bottles, it was very positive for them. (JA)”

In the case of TK, the competition was more direct in comparison to the other cases. This was especially prevalent when individuals who had worked together in the newly merged organization had to directly compete for resources, customers and each other. The result was that individuals were chosen based on their performance in the first 6 months, whilst having to work side by side to one another and compete. This led to an increase in employee turnover and dissatisfaction amongst employees overall which TK had to work towards fixing once joining the integration team.
“What I mean is that you can have a solution as in the case of the target company, and the acquirer decides to fold up their solution and buy the target company because they want their solution. In that scenario you will clearly have a lot of competition. In another case of [Company Name] and [Company Name] you had a huge amount of competition. We paired up people and we asked them and management and asked them to run departments jointly. Then in 6 months they decided who they wanted to pick. This is very prude way doing it. It creates a huge amount of competition between the people. (TK)"

DS, CS, JA and KB mentioned that in order to reduce this competition for resources, it was essential to be direct and explain about how the processes would be like in the future, so that there would be no second guessing amongst the staff regarding procedures in the new organization. Furthermore, the respondents explained that in order to reduce the competition and duplicate positions, it was important to relay that the most important objective is working together towards gaining customers.

Interestingly in most cases, the complications and problems of new work processes happened in positions that made strategic decisions, rather than for those executing these decisions on an operational level. The respondents argued that this is usually due to these individuals having their work change the most when organizations go together.

“When some people came on board there were tensions about how things were going to be done and concerns about using different platforms, and procedures. After that, we worked hard to understand the synergies, the expected outcomes. This is because there are a lot of changes. In particular there was conflicts at the top. This is because those from the buyer side often tries to get the upper hand or the higher position. They want to have more control, since they want to worry about their pay or their influence. (DS)"

In DS’s case, due to the deal, the larger company felt that it was necessary to impose and change how the smaller organization would work. The respondent motivated further that this could cause problems in the future for the smaller organization who had to adapt to new ways of working. This aligned with KB’s case wherein a smaller company which had to change its work processes had staff members that left the organization. The employee turnover was mainly in positions that were exposed to the more changes such as sales, customer service and other managerial positions in the new organization.

“I think I always see that there is more competition amongst employees just because they're feeling threatened. And in this case especially having their scope of work diminished, whereas they were responsible for a lot and then in the new model, they were responsible for very little. We also found that people were very territorial and didn't want to share information because they had such a small piece of work that they were now responsible for. I think they were threatened and therefore more competitive. (KB)"

A solution to reducing the competition individuals have is to ensure that there are fewer duplicate positions in the organization. This means that you have to assign people new roles, let them keep their roles if their role does not directly inhibit others from doing their job, or laying them off. The respondents all agreed that, if there are layoffs just as with uncertainties, it is necessary to be direct and honest with individuals. In particular, how you relay this information is vital. However, the respondents were mostly interested in securing key employees as mentioned previously. As such, they took employee turnover into consideration when going into their deals, as it was more important for them to retain key employees, and that some employees were more disposable than others.
“In particular the critical employees that we had identified. So also with regards to employees our company always identify the key employees up front so we really knew who we wanted to retain and we knew who we were okay with losing, especially the key employees, we really worked with them to ensure that they would stay on. (KB)”

After having assessed the context of the integration, post-merger integration managers typically formulate an integration strategy. In the next following section and subsections, we made account of the means the respondents made use of to facilitate the post-merger integration. It is important to highlight to readers that the selection of these means is a result of their understanding of the situation, their experiences and the given background information of the merger. Overall, the respondents accounted many similarities in their cases. Hence, the aim of the following section is to present the key common elements of an effective post-merger identity integration plan as described by the respondents.

4.4. The realization of the integration plan
4.4.1. Communication efforts

According to respondents, communication plan is a vital part of the strategic integration plan. It maps out the strategy which integration managers use to facilitate the integration. The means of communication used depended on the respondent. For instance, AS used video satellite, workshops; meetings, hall events and Q&A sessions, whereas KB used conference calls and one to one meeting. According to EP, communications means are supposed to select depending on the people. The same statement was highlighted by KB whom had to switch their means of communication so that it could be more efficient towards the people they targeted it to. During the interviews, the respondents unanimously cited communication as one of the most important success factors in influencing the success of the post-merger integration. All of them described the outlines of a convincing communication plan, the critical aspects it should tackle, the way to communicate and the purpose of communication. Communication should be enacted as early as possible, the latest being day 1.

“[They] organized day one [as] it was town hall events where [they] brought all the employees together in Brazil and Argentina. And then [they] just satellite video to this business in Uruguay, business in Paraguay. So [they] could engage with all the employees very quickly leaders from all sides of the organization and the head of the overall business for the company. Basically explaining to employees what happened and what's been announced, why the transaction was good for all and what would be the next steps to really give confidence and assurance to everyone. (AS)”

PB mentioned that the communication plan reverted a climate of fear to a climate of trust and great will, in their situation as all employee finally understood their purpose. In order to achieve this PB foster more proximity with the employee at every level, talking to them directly and discussing about their expectations. It is important to stress that all respondents highlighted that the use of communication means involving greater proximity, i.e. physical
meetings, should be favored as much as possible in the integration process. All admitted to setting up many meetings, workshops, face to face sessions and Q&A. CS and MF stressed the importance of having all managers together and discussing with everyone in the organization, where they would mention the expected transition from where they were pre-merger to where they wanted to be post-merger. Further, they would communicate the new values and consolidate while ensuring that everyone was included. They stated that all close meetings facilitated trust building in the integration process.

According to KB, the importance of proximity can be explained by the influence of former corporate communication cultures focused on informal interactions. They highlighted that on-site communication efforts were more rewarding than distant communication means. Another part of the reason why communication was important and why it should be based on proximity was exasperated by EP, DS and PB who highlighted that M&A affects clarity of the work situation. The sentiment is that communication efforts are appreciated when they are considered to be reassuring for employees.

“Since management already knew what the integration process was, it was more about reassuring that things would go well for [the lower level employees] from more than one source. (DS)”

Furthermore, DS emphasized the notion that communication should come from multiple streams. According to DS, both physical communication and earliness of communication efforts are crucial as it made “everything afterwards easier”. DS explained that employees were unsure about what they should have done, which includes when the merger is considered effective. FL commented that early communication is important for clarity. They were willing to foster the idea that the operation was a ‘merger of equals’ in order to suppress rumors. The respondent acknowledged that by letting people act on their own accord led to an increase in fear as individuals started to imagine the worst case scenario, which for them was being acquired.

“It's important to establish reassurance and understand that in the synergy process you if you don't communicate it well and why you're doing certain things and why you're looking at the synergies people can take it the wrong way. (FL)”

It is important to note that M&A affects the environment around people and therefore the people emotionally.

“Always at first it’s a nightmare, people are scared, anxious and don’t know what to do. After one year, most people know what their place in the organization is. (DS)”

“There's some rejection, there's some feeling of abandonment, there's some low points and then you finally get onto that point where you’re normalizing. (FL)”

The endings parts of their statements unveiled that the normalization of the situation in the near future is what matters for the people in the organization. The sentiments were shared by AS, CS, EP, PB, MH and TK. Accordingly, they believed communication efforts should emphasize the future. One way of doing this was presented by MH, who commented the importance of sharing one’s vision and goals. The respondent explained that communicating the vision greatly assisted the integration process as people felt a sense of involvement in it.

“The third thing we did was to activate all the people in the factory so all 450 people. We had a number of communication meetings and de-mystifying the US owners, and they come
across as very family oriented and to understand what makes them tick. So they wanted to understand why they bought the company, what the future was like and so on. So we had a number of meetings and a year-end party, so we made a statue of this in the office as well. And again we were trying to communicate that they were buying this to be a journey in Europe to continue their journey to sell protein snacks. (MH)”

In order to be efficient, MH highlighted that the board should be “very clear on the vision and say things like ‘wait a minute, you’re getting bogged down in details’. Or you’re not on the track we want you to be on. They had a vision, and were willing to spend the money for them and invest. It’s towards the vision. (MH)”

MH also explained that communication also helped those overcoming cultural barriers due to the nature of the operation. The efforts cannot be stressed enough by the respondents, as individuals will need to have an understanding of the processes. MH, FL, PS and EP explained that the essential thing for management to do when communicating is to ensure that there is a clear vision, and that communication efforts show that the managers and the individuals are all aligned and working towards the same goals. The argument was that communication should reflect actions taken.

AS and PS highlighted that communication is important since it enables identifying cultural differences before signing the merger deal. Referring to EP, DS, FL and JA, cultural differences are frequent in operations involving firms operating in different countries and disciplines. In this context, it is crucial to focus on what people have in common and how they all share benefits together. DS emphasized that management should highlight the benefits employees would gain from the merger, individually and career-wise. Through these means they managed to get greater involvement from their staff. EP and PB made people focus on the client as a common factor, and they commented that this initiative contributed to lowering the level of tensions among individuals in the initial phases of the merger integration, since it showed individuals that they were working towards the same goals.

In order to facilitate integration, all respondents advised that leaders should be transparent and honest, that they should provide clear guidance on what has to be done, why and what would happen afterwards. As mentioned previously, M&A involves a rough emotional journey in which individuals lose their marks and become more sensitive. FL advised that information shared has to be filtered. By this, the respondent said that some information may contribute to an increase of stress among people.

“How to communicate with them is important. We gave talking points to all the managers on a regular basis. So we had to make sure that: “hey here are the talking points, here are the things you should say, here are the things why you should stay”. Because there's certain things that we don't want you to say because it's just not there yet or because it could cause some problems in the market or whatever it is...And there are other things that will cause more problems and more doubts and such, we want to stay away from those. To say here how you should handle it and preparing the managers well for that was important. So I think the preparation, understanding of the beliefs, the perceptions was I guess one thing that allowed us to be successful. (FL)”

JA, AS, PB, DS, MH, HG and EP mentioned that employees within an organization have different interests and that many did not feel concerned about the ongoing of the operations unless they were told about the impact of it, at their hierarchical level. The role of the integration manager is to ensure that the expectations groups have are conveyed to them in
a proper manner. The detail that goes into the message is contingent on how their work processes changes and their roles in the organization. In MF, HG, PS, and PIS cases, it was not as important to deal with new staff members directly, due to the nature of the deals they were engaged in, and how much autonomy the companies they acquired would have under their organization. PB stressed that the key is that all of the communication efforts are in line with the corporate goals and strategy.

“The communication must be adapted and prepared for every level. This is very important. You have to speak their language to them. This is the first. And to speak about things that are interesting to them. On the managerial level, you can speak about politics, strategy and what it that means like becoming the biggest player in the market and so on. On the level of machines, we have to speak "we will get new machines. We will support you in two weeks. We will improve the tools, we will make maintenance better" and so on. (PB)"

The idea of having a different and detailed communication plans for each stakeholders had been shared by every respondents independently of their situation. MH explained the same as PB, saying that what mattered for individuals at the factory level was to know who their next managers would be, whether they are supposed to move and what will change in their factory. In addition to being detailed, KB mentioned that the message needs to be reiterated multiple times before it is fully understood and applied. In their case, people kept going back to their old processes, so they organized extra sessions to make sure everyone understood everything correctly. AS declared that: “It is about reinforcing the same message, the same communication to the people”, so the integration could be a success. Both were in agreement with DS and FL, who argued that communication should be intense and repetitive to the people they wanted to target with particular messages.

“Giving the right information in the right time is important so that people work with the same information. You should not send information every day. It should be the same type of information but depending on the level or the group/department, it should be tailored to them to avoid confusion. (DS)"

“Then again we had some sort of some extra meetings where we brought in some people who had lots of experience with mergers and the module is basically culture will eat operations breakfast every day meeting cultural aspects Trump your operational aspects and one has to make sure that the communication is happening very very regularly. And from the management team in other words not nobody wants to really hear all the time from the exacts or a newsletter or a vault and they want to hear their managers talking to them and telling them what's going on and giving them what the future will look like. Yeah you're going to have to take a certain amount of pain for a lot of pain being what things are generally indifferent and I'm using a different interface on my computer or whatever else that is we’ll do it for a little while. (FL)"

CS advised setting up regular communication routines, so it stayed after the transition to a new organization. In their case, communication sessions were organized every Friday to ensure that everyone was on the same page about the integration. Importantly, AS and PIS also mentioned that an effective communication plan requires great amount of preparation for all key stakeholders in the organization.

“All leaders had been obviously prepared for. So where people couldn't get to the major events. So within a period of 72 hours we had obviously leaders geared up ready to go onto different sites and talk to employees and so on and so we had quite an elaborate plan of communication. And again it's not just about communicating once it's ongoing I'm making
sure that we have people accountable and responsible for answering questions and leaders briefed and everything else. We had that in place before we obviously close the transaction.(AS)”

“You need to have a directed message for all the different concerned parties and in some cases you need to have different messages for different locations. In some cases you need to have different messages for different groups even though they’re spread out. So you really need to think about the communication. (PIS)”

4.4.2. Time span

Having an integration plan was considered by all respondents to be one of the most important things one should consider before engaging in a merger or acquisition. The plan highlights how, when and where resources, processes and assets of the acquiring, acquired or merged companies will be utilized or combined to achieve the goals of the deal. This allows companies to get a better understanding of how they can realize synergies, reach their goals and align expectations whilst reducing skepticism amongst their employees. The integration plan is made by and carried out by the integration team. However, how the integration plan was carried out varied between the respondents. For instance, HG, PS, FL and PB stressed the importance of acting fast in the first 100 days or 4 months. In particular, acting fast in this period is what determines the success of the merger according to them. Whereas FL and PB believed that there is more flexibility, and the time to act depends on the scope of the merger and the strategy behind it, HG and PS believed that in order to reach the critical success factors of the merger, it is possible to follow a 100-day plan to ensure success. In this plan, there exists activities which exists in most integration plans, are activities that are meant to be executed during the first 100 days. Both respondents mentioned that that the plan is straightforward and uses critical success factors inherent in all integration plans such as retaining talent, establishing proper communication plans, safeguarding ongoing operations and combining the best aspects. The rationale behind using the plan is to reduce risks and retain continuity within the organization whilst combining the best aspects of both companies as quickly as possible. However, HG mentioned that even though the process is very thorough, it is also very intensive.

“The key persons in this type of integration gets a work load that is perhaps 80 hours per week when it’s normally 40 or 50, because we want to have a lot of things done in these 100 days. So we ask too much from these 100 days. (HG)”

MH, TK, MF AS, PIS and JA believed that it is important to plan the integration for around 6 months. In these months, the same procedures were undertaken as mentioned previously, however it is more drawn out and adaptable to change in comparison to the 100-day plan. In contrast, DS, KB, CS and EP believed that this process could take even longer, and depends on the scope, the nature of the deal, the available resources and how culturally different both companies are. In particular, an important factor in this process is the swiftness of the process of integration.

“What is important is that is goes quickly, that it is not a long process, that it is a transparent process and by that I mean that it is open not a lot of hidden agendas and personal preferences so that you can be objective about the process as a whole. And that we always have a flow of information so that everyone who is affected is part of the process and are given knowledge about what goes on. (CS)”
Another big reason for the emphasis of quickness in the process of post-merger integration is not merely to align functions and realize synergies quicker, but also to reduce the anxieties that individuals have when they are exposed to change.

“[…] post-merger integration must be done fast, which is one rule. The faster, the better because people don't believe in what you tell them and they start to speculate. And a lot of people tell a lot of untrue stories. This is a reason to do the integration as fast as possible. (PB)”

4.4.3. The importance of evaluation and feedback

During and after the integration, the respondents emphasized the importance of collecting feedback during this time. What was evaluated was typically to see if the expected business performance, financial performance and KPI were met. However, the respondents also kept a track of satisfaction levels, employee turnover and how well individuals were able to collaborate within the newly merged organization. The respondents argued that it was vital to evaluate the process and to collect feedback, so that they could understand what they could do better for the future, but also what they could do to improve the situation for the employees. They explained that the post-merger integration process can be lengthy but depends on the project and the type of integration that is undertaken. As such, the respondents have different beliefs of how long the process of integration should take, and how long one should engage in evaluation and in the collection of feedback during this process. DS, PB and FL explained that the length of the evaluation period depends on the type of integration and the scope of the integration. Further, DS argued that cultural differences within the organization causes the evaluation process to become longer due to the difficulties associated with bringing in people with different cultures as they described in their case.

“Then we started to group people from the HR group, the IT group the accounting groups and we made small workshops to understand how these people from different groups will work together. So how we will do cross selling, collaborations, how we will communicate with customers about deals. So there was lots of persistence initially, and time spent into these efforts, but the integration progress starts when people gets to start working. So doing lots of workshops initially is important to allow employees to understand the integration processes. (DS)”

On the other hand, MF, AS and AJ argued that the evaluation of the process is iterative and that it evolves over time. As such, it is considered by them to be hard to set deadlines or structure for a few years. As such, the respondents believed that it depends on the outlook of the situation, and if it is necessary to spend more resources into it. However, MF explained that one year of evaluation was necessary for the project the respondent partook in. MH, TK, PS, FL, EP, HG, KB and PIS concurred with the aforementioned respondents, explaining that it depended on the type of project and how well things appeared to be going. However, the respondents still evaluated the process for up to 3 years. The evaluations were done either semiannually or annually in their cases, depending on the context.

“We worked extremely hard with measuring synergies a year after the merger. We had a multitude of people doing this. How much people left, how many we were, how much we earned, effectiveness in different ways and out of a perspective where we asked colleagues how they perceived things to be more effective and how they felt things could be more effective in terms of their work processes was also taken into consideration. (CS)“
As CS mentioned, the necessity of evaluating feedback in the initial stages is vital to ensure, in order for them to gain as much information as possible before the post-merger integration work concludes. This is so that there would be sufficient information to evaluate if they met their goals, KPI’s or if they sustained employee turnover. The sentiment of evaluating the process was important for the other respondents as well, and due to the strategic goals of the companies they worked for during their integration project they had various ideas of evaluating success. For all respondents, evaluating the KPI or if they met the strategic and financial goals of the merger is the most cited response. DS and HG explained that their reasoning was to ensure that the financial and business performances were the most important things. Whereas, for PIS it was necessary to also take employee turnover into consideration. All respondents, apart from DS and HG mentioned this as well.

For MH, TK and EP, they believed that it is necessary to evaluate the process of integration together with surveys and behavioral tests to see how well individuals are responding to the merger. The argument is that by understanding what makes individuals harder, it was possible to gain an insight of how they would have to manage individuals through the process, and how they could respond to their complaints if they arise. However, the three respondents also believed that it is necessary to take the individual’s personal history as well. MF, PS, KB, AS, CS, FL, AJ and PB all mentioned this to be vital for a successful integration as well. These respondents mentioned that it was necessary to keep an ear to the ground, and to see if there were any problems with how the business was operating. Importantly, they also believed that it was necessary to check for employee turnover and to use KPI’s and to measure business performances internally, through efficiency and collaboration, and externally through financial and business goals.

“I think we have to acknowledge the history, and you hear that when you talk to people, a lot of them refer to their [Company Name] identity, referring back to the company they worked for that was acquired. Their company might have been acquired 10 or 15 years ago and they will still say "well I still came in with that company". So I think that is good because we should be proud of the history. We have not done any service and asked them if they feel as 100% [Company Name] now. But I assume they do actually, otherwise if they felt bad then they would not be here. There’s a lucrative market for them so search for employment at other companies. (PS)”

In relation to the feedback received, only half of the respondents had explained their ideas on how to act on these. MH, MF, EP, FL, AJ, CS and PB explained that it was required to show that they as managers were willing to take actions based on the feedback they received. This was typified through meetings with different departments and groups and sharing information about changes and highlighting them. The goal with this was to show transparency and to show commitment.

“When the people realized that someone is taking notes about the new company, it shows that you will take their opinions with you. What is important is a fast success. Quick win! You have to show to people that we are running and we are delivering it. [...] This is important, as people who have to do things together, but also do the same things, they will fight against each other for things. The point is that business should be as usual. And this is important to agree on the highest level, after that to waterfall it down to the shop floor, and then give the people what they feel they need. (PB)”
As explained in the theoretical framework, group identification is a dynamic process in which both parties have a role to play. Accordingly, the result of an integration process in a merger depend on the efforts deployed and the responses of the groups. In the following section, we accounted the results of integration managers efforts on different groups of individuals, who shape the organizations. This is also based from our thematic coding procedures in regard to our research question. Therefore, this part guided our results to the outcomes of the post-merger organizational identification process.

4.5. The outcomes of the integration and its effect on individuals

As previously mentioned in our thesis and later on by each respondent respectively, mergers trigger deep emotional reactions among individuals. Each of those emotions are different depending on the individuals concerned, their exposure to the integration process and the context of the merger, and which side they belonged to during the pre-merger and the post-merger phase. The way in which individuals cope with a merger is therefore different and can affect the mentality individuals have towards the merger operation. This aspect is something that all of the respondents have highlighted, however, the example which best describes the sentiments of all respondents came from EP who described the timeline of individual’s emotions during the integration process:

“You always have a period which is generally somewhere at the 6 month mark, which is what I call disillusion. This is the period where everybody is unhappy because they start seeing every bad aspect. Generally, that's the moment when systems are integrated, management starts to become integrated, and the level of clarity has decreased where operational issues start to be more and more present. So you have all those phenomena and generally you have a bad period at that time. Again you need to deal with this. You need to reassess and repeat what is important, what you want to exemplify, because this is the period where you see employee turnover at the top and it is also a good moment to have a new generation of leaders emerge to manage this complexity. [....] this is 2 and a half years in and it is the moment where you believe you are done with the integration. But in the end you still have elements which are still here and this is the moment when they all explode and it turns bad. This could be prevented, but often they procrastinate dealing with these issues beforehand. (EP)”

The argument directly builds upon the emotional processes of change mentioned by all of the respondents. The reasoning is that, by the end of the integration, there will always be some people who are unhappy with the merger and the integration, regardless of what is done to please them. PIS mentioned that companies often overvalue the damage of losing individuals. In the respondent’s case, they tried to make everyone happy by offering job opportunities for all employees’ part of previous organizations. The respondent declared this to have been a mistake, since regardless of the offer, it was not enough for many of the employees in the organizations to stay.
They concluded that it was important to be direct and honest with people and to let them go if they did not contribute to the new organization, in order not to jeopardize the success of the operation. FL, CS, KB and PIS also acknowledged that there is a need to accept letting unhappy people go. KB and EP acknowledged that negative reactions induce a dangerous chain reaction.

“[...] in customer facing areas, where [they] lost some good people and once people start to leave there’s usually a chain reaction where you have others within the same department that leaves. (KB)”

Another interesting aspect in KB’s recount of events featured how peers from each company of the deal displayed different emotions. They said that on their side, employees were excited about the acquisition, but that they started feeling frustrated when they saw that many employees from the other organization quit. KB mentioned that they could not understand why they did not want to be part of a global organization at the time it happened, but then concluded that it was a lack of foresight and due to feelings of disenfranchisement amongst individuals who did not fit in. Interestingly they did not notice much involvement from the other side, before their side took actions. PS, AS, HG, FL and JA reported involvement from the acquired teams to be part of the new organization whereas JA, FL, PB and EP highlighted that involvement depends on how exposed individuals are to the integration and their perception of new changes in the organization.

“So if you ask people "do you feel integrated?”. It's a very different question from asking management "are we done with integration", because management tend to think more of technicalities and "did we get the synergies out of it" and so on. Which is also a typical question from our owners. But when you ask people they can say "no, I'm not integrated at all. I've been doing the same thing as before, I haven't really met the other guys" So in terms of integrating people, I mean, I think even if you do it great, it probably takes years, like one to two years if you’re good at it depending on what happens to the staff for instance. (JA)”

The potential reasons for which each stakeholder featured different happiness and commitment levels toward the operation were brought up by PIS, HG, KB, FL and EP who declared that individuals care about their job responsibilities, job titles and status within the organization. This was attributed to an increase in tensions and competition in their respective cases.

“I think I always see that there is more competition amongst employees just because they feel threatened. And in this case especially having their scope of work diminished, whereas they were responsible for a lot and then in the new model, they were responsible for very little in the new one. We also found that people were very territorial and did not want to share information because they had such a small piece of work that they were now responsible for. I think they were threatened and therefore more competitive. (KB)”

Whereas most respondents failed identifying a particular group resisting changes, EP argued that the managerial level, especially middle management, are more prone to resistance, as they are the ones who wants to ensure they keep their position and influence. Without making mention of a group as well, PB explained how different initiatives for different target groups are critical. Ensuring that there was a clear message and a clear future for the employees was important to the respondent, in order to gain their trust.
“We held workshops for the other company’s managers to help them understand how the process will work. But this was not only for management. This was for everyone in top management, but also for middle management and normal workers. This was done to ensure that everyone would know how we are going to manage this change. Also we made sure to understand who were the top performers of the company, and implement reward systems to ensure that people would want to stay. This is done to ensure that they know about the company benefits and to let them know what is possible if they stay. (PB)”

Interestingly, MH mentioned that “activating the middle management” was a key success factor in their integration project. This meant that they made changes in their middle management structure so that they could work with their counterpart smoothly. The importance of middle management was important due to their role in aligning functions. JA described that the middle management teams are important in integration projects as they are the ones who set the cultures in the teams, and they tend to have the most individuals reporting to them. Therefore, their importance stems from them being closer to the work that was being done by most employees, closer than the top management. Accordingly, middle management are more exposed than other hierarchical levels in the organization. KB, FL, EP and MF went further stating that middle managers were the ones most likely to influence the overall employee turnover and commitment in the integration. According to them, enthusiasm is contagious, meaning that if the corporate level or the most senior managerial staff do not side with the idea of a merged entity, then the people below them would object to it as well.

“It was a mixed bag. Some were definitely excited, I think everybody kind of presented the fact that they were excited but I think in reality some were and some were not excited. I think employees can really read that very clearly, I think it’s really hard to fake excitement. It’s interesting, because it has to be genuine so I would say that it was mixed. We did everything we could but some people just were not on board some of the leadership [...] it’s very hard for the employees to adapt when the leadership doesn’t adapt. We spent a lot of time with the leadership, educating them and tried to get them bought in and excited about the future. And also educating their staff and setting realistic expectations. Cultural change, culture doesn’t just change, culture changes as a result of changed expectations and processes, so we really had from a cultural perspective their leadership engage with ours. (KB)”

In addition to employee roles and responsibilities, EP highlighted another source of enthusiasm, stressing that the level of enthusiasm depends from case to case. For instance, some individuals are more concerned about their personal issues when they lose their job. Thus, the respondent highlighted a need for treating these issues on an individual basis. As all unanimously stated, each individual has their own interests and likings, and these determine their expectations. Thus, given the complexity due to different stakeholders, EP, PS and FL stressed the importance of compatibility and cultural fit to ‘simplify the discussion’.

“You need to be sure that what you acquire is compatible with what you are. Otherwise, the cost of integration may be too high. Whatever the cost may be the cost of replacing people, the cost of inefficiency, the cost of the low of productivity, and the cost of whatever others things. You generate this type of situation where you lose market share, increase competition eventually not aligned with your hierarchy within the group. You lose position within that period of time and the time to recover is longer. [...] If you integrate these two environments, even if it is worth today, it is very hard to make people work together, it was 15 years ago and it is still a challenge today, you have to be focused and to make it happen,
help people to work with each other’s, to do this you need to break down a lot of cultural barriers. Create an environment allowing people to recognize the value of each other’s and willing to work together. (EP)”

TK described the dynamics of corporate culture and the importance of knowing those dynamics to strengthen the shift from one behavior to another. Ultimately, each individual handles the integration process differently. PS explained that it is vital to accept the differences inherent in people and find ways to move forward with the merger. EP, DS, MF, PB and JA acknowledged the same. According to PB, the goal is not total assimilation, however it is necessary to achieve cohesion at a managerial level. The respondent continued that individuals still reminisce and refer to their past organization, regardless of how well you handle the integration.

“The integration, well you know that others say about their companies. The company is joined, 20-40 years ago and there are people who still remember the time and they say things like “I was here, things were better, and I was young”. And they tell people this on the meetings in the company that "in our time, things were totally better". The goal should not be to make the company 100% as one, because it is not necessary, people are different. In every company you see this with people working in the different departments in different cities. They are also different and they work differently and this is not a problem. It is necessary to achieve one level, you will have to do this at a corporate level. (PB)”
5. Discussion and analysis

In the following chapter, we discuss and analyze our results in relation to our theoretical framework. The titles found in our results are the foundation to which the discussion is based upon. To conclude our discussion, we will present a revised theoretical framework with which we will highlight and contrast the discrepancies between our proposed theoretical framework and the findings of our study.

Throughout this chapter, the various parts of the proposed theoretical framework will be shown and contrasted with the findings and the theoretical framework. By doing so, we found information which can illuminate the reader about the various phases and factors within the model in a structured way. Hence, our theoretical model was broken into pieces and revised part by part during the discussion. In the end of the discussion, the various components explained will be used to find the post-merger organizational identity and complete our proposed theoretical model.

5.1. The context of the post-merger integration

The contextual factors which affects the integration will be highlighted in section. Integrations induce the creation of an ecosystem which influences the individual’s part of the merger. This ecosystem includes part of the reality and context pertaining to the merger along with the created environment for post-merger integration. The ecosystem is represented with the ‘cloud’ symbol, which is also in our proposed research framework. The discrepancies along with the elements of the ecosystem are explained in greater details in the following subsections.

![Figure 4. The ecosystem of the post-merger integration](image)

5.1.1. The nature of the merger

The contextual factors which affects the integration will be highlighted in section. Integrations induce the creation of an ecosystem which influences the individual’s part of the merger. This ecosystem includes part of the reality and context pertaining to the merger along with the created environment for post-merger integration. The ecosystem is represented with the ‘cloud’ symbol, which is also in our proposed research framework. The discrepancies along with the elements of the ecosystem are explained in greater details in the following subsections.
5.1.1. The nature of the merger

Based on our findings, having an integration plan is crucial to perform integrations successfully. In order to be efficient, the integration plan has to be planned beforehand. However, the time that goes into planning it, and the amount of resources spent on the plan is contingent on the type of deal, and how much information one has access to. The findings showed that it is hard to find out about the other company involved in the merger before it happens as there is a limited amount of information initially. Therefore, the process of planning for an integration has to be iterative as the respondents suggested. In particular, pre-merger groups have their own systems, structures, leadership and cultures: which are their own organizational identities, which are hard to identify in the due diligence phase (Gaertner et al., 2001, p. 265).

In our interviews, we asked the respondents how they perceived both the organizations part of the merger deal and how they differed from one another. This approach contributed to highlighting the salience of their organizational identity during our discussions. The results featured that the respondents provided a consistent definition of their ingroup and of the outgroup. All respondents stressed out the differences between both organizations more than the similarities. Moreover, each of them frequently made use of terms such as ‘us’ and ‘we’ when describing their ingroup and ‘they’ and ‘them’ to describe their outgroup. This confirms Hogg (2001, p. 201) and Moreland et al. (2001, p. 91) claims, which states that individuals feature ingroup bias and express out-group differences while referring to themselves as ‘us’ and ‘we’ versus ‘they’ and ‘them’. These provided solid empirical evidence of the existence of the theoretical group prototype, prototypicality and ingroup outgroup distances. Referring to the operationalization table (see. Appendix A), theoretical concepts such as identity and prototypes have been operationalized and verified empirically to be similar to the well-known concepts of culture, business and processes. Culture is the set of behavior, rites and understandings that seal a group of people together. The latter assimilates well to the concept of group prototypes and consequently to the concept of identity. Hogg and Terry (2001, pp. 6-7) described group prototype as the set of the most relevant behavioral attributes, traits, competences and likings which define a certain category of people. Further, they described the identity as consisting of a set of prototypes. Therefore, culture is contrasted to prototypes and used interchangeably with the term “identity” throughout this.

It is interesting to point out that the ‘us’ versus ‘them’ and ingroup outgroup distances were still present even when the two merging companies were operating in the same industries. The theoretical framework and results align, since groups part of mergers make their prototypes salient, eventually making them more distinguishable from one another in order to sustain the pre-merger order. Particularly, when the respondents referred to the ingroup and outgroup differences in terms of ‘us’ versus ‘them’, it reflected the perceptions of individuals in the other group, in terms of how they conform to the respondent’s expected

Interestingly, we found out that tensions were experienced even when individual were operating within the same country. Thus, the way in which these ingroup and outgroup differences are made audible are not contingent on cultural differences stemming from nationality. In reality, respondents pointed out various differences, the most significant differences were at the innermost level of the identities, as Ashforth & Johnson (2001, p. 33) suggested in their representation of nested and cross-cutting identities (see. 3.1.2.1. Identity order and salience). Whereas many respondents described similarities in industry, business offerings or location, they all reported variations in culture, norms and values.

Similarly, to Ashforth and Johnson (2001, pp. 45-46), we also found that organizational identities have multiple layers in practice. The multi-layer feature of identities connects to our theoretical framework through the concept of nested identities and cross-cutting identities presented in 3.1.2.1 Identity order and salience and further presented in Figure 1. However, the interplay of those different level of identities appeared blurrier in practice than presented in the theoretical framework. Whereas respondents acknowledged similarities at the more formal levels of the identities e.g. industry and market, they often pointed out differences in at least organizational structures, business processes or way of doings. Their approaches and procedures, i.e. culture, was always mentioned. The findings showed that the respondents intrinsically acknowledged the existence of informal dynamics of organizational characteristics to be part of the identity play. Moreover, the informal and formal features are deeply intertwined with one another so that none can exist independently from the other. For such reasons, different cultures resulted in different organizational structures, which resulted in different processes and procedures. In line with the concept of identity salience featured in 3.1.2.1. Identity order and salience, and the nested identities and cross-cutting identities model presented in Figure 1, our findings cast a light on the fact that the formal and informal nature of the identities are not equally important. All respondents highlighted the importance of awareness when it comes to the individuals’ involved, corporate culture and diversity. More importantly, the findings supported that it was necessary for managers to gain an understanding of what salient attributes distinguish different groups, departments and the overall organization from their counterparts. Further, it was achieved through the use of surveys and KPI. The consensus was that, if there is information and time to analyze and gauge the other organization, it should always be done before the merger if possible. The reasoning is that finding cross-cutting and nested identities that individuals share in common helps them facilitate the process of integration, as it becomes easier for the groups to assess whether they fulfill one another’s needs, which confirmed Ashforth & Johnson, (2001, pp. 33-34; p. 4) and Moreland et al. (2001, p. 93, p. 95) claims. Thus, our findings added upon those claims stating that it was possible to gauge acceptance from one or the other groups on both sides of the merger, and to understand the criteria of gaining a full membership status that the newcomers has to earn.

As suggested by Ashforth & Johnson (2001, p. 41), we found out that the cross-cutting identities individuals have and what make them salient in a given context must be acknowledged in order to know which individuals best fit the new organization. Further, this is very relational, and as such, it requires decision makers to understand what distinguishes the individuals in the organization from one another. Indeed, individuals tend to treasure their identities and will often try to cherish their membership in their group as well, therefore, making the organization more homogeneous in terms of values and characteristics that different groups have makes it easier to facilitate the post-merger integration process. The importance of making the shared values and characteristics salient
to facilitate the process of post-merger integration had also been brought by Terry (2001, pp. 230-231).

Our findings suggested that it is important to bear in mind that the different factors such as cultural differences, differences in work processes and synergies are hard to plan for before the merger. Further, even after gaining pertinent information about the other organization. As a result, we found out that it creates biases for the individuals who plan for the integration. Since they might not have engaged with the company in question, it leads to them disregarding the other organization’s company culture and identity. According to Hogg (2001, pp. 202-203), this leads to problems in the long-term, as individuals categorize themselves as part of a group based on the response they would get from the other group, and from their perception of themselves. Furthermore, if these factors are not compatible, then the individual will not identify as part of the group, and the group will reject them based on them not fitting the ingroup prototype (Bartel & Dutton 2001, pp. 116-117; Moreland et al. 2001, pp. 96-97; pp. 98-99). Similarly, to Van Knippenberg & Van Leeuwen (2001, p. 254), our findings confirm the necessity of tackling changes that might surface which were not accounted for in the plan.

5.1.2. The creation of an ecosystem for the integration

As shown in the results, the integration team’s role in the process is vital, as they are the ones who align functions and establishes the culture in the organization. They also ensure that the pre-merger identities align with one another in the integration process. In order to perform their work, they influenced the salient identity within both organizations. The level of identities which is made salient matters as they set the foundation of the integration work that needs to be done, and the resulting success of the merger integration. As explained previously, there are different levels of identities and parts of them are more or less salient depending on the context (Brickson & Brewer, 2001, pp. 50-51). However, it is important to note that some level of identities is more inclusive than some others. In the findings, aspects pertaining to the values, cultures and norms served as fostering differences between both organizational groups before the merger. Post-merger integration managers elected the more inclusive one to ensure that there was organizational entitativity.

Accordingly, the findings showed that gaining a cultural understanding of the partner company when conducting the merger alleviates significant work further down line. The consensus was that there is a need to spend resources to ensure that individuals gain an understanding of the contrasting differences they have with their new colleagues. By gaining an understanding of the salient attributes within the partner company’s groups, management reduces the ambiguity and categorizes individuals into specific groups, which thereby allow them to come up with strategies to deal with these differences. This was confirmed by respondents and aligns with van Knippenberg & van Leeuwen (2001, p. 253), stating that by gaining an understanding of salient attributes management can reduce ambiguity and promote prototypicality.

By understanding what salient attributes exist in the layers of identities in relation to the job functions the individuals have, it is possible to understand the behaviors are enacted in different situations, and how cross cutting identities would interplay with new and emerging identities (Ashforth & Johnson, 2001, p. 41). The tools mentioned in the findings for understanding these differences include surveys and behavioral tests. However, the findings also proved that these do not replace leadership actions. All and all, this preparation allows managers to arm their employees with knowledge about the distinguishing factors that makes their counterpart unique, and how they work with one another. We concluded that
salience of exclusive features jeopardizes the expected synergies from mergers, hence factors such as culture should not be undermined by the integration team. More especially because the formal aspect of an organizational identity such as industry and product offerings are not sufficient to facilitate integration.

5.2. The role of the integration manager and the integration plan

After having presented the context of the post-merger ecosystem, respondents highlighted how they attempted to integrate groups together, so they become one. The latter pertains the lightning part of our research framework. In other terms, the lightning symbol gathers all actions and planning employed during the post-merger integration in order to make both groups connect to one another along with the reaction of groups confronted to one another. This is crucial as it guided the outcome of the post-merger identification while influencing the journey of pre-merger group identities. In the following section, we explained the integration plan, the requirements needed for it to be efficient and its limits. Hence, only the part of the ‘lightning’ pertaining to the integration efforts will be presented here. The consequence of the reactions of the different groups will be presented in 5.4 The outcomes of the integration and its effect on individuals.

5.2.1. Identifying and retaining key personnel

Retention of key employees was cited as an important factor for managers to consider in the findings. Some of the reason’s organizations choose to retain certain people over others is due to their influence on people and their knowledge of the functions they work with. Managers look at what is salient about the organization, the job and what type of individuals they need going forward. What they need are individuals who share the prototypes other groups in the organization shares. The respondent’s arguments aligned with Hogg (2001, p. 201), saying that by distinguishing which individuals fit the organization’s prototypes or what constitutes prototypical behavior and values, it is possible for managers to distinguish individuals who best fit the organizations. Furthermore, by establishing what behaviors, practices and values are inherently prototypical for the organization, it is possible for managers to identify, retain and recruit key personnel. Since there are multiple characteristics, contexts and categories individuals have at the same time, it is possible to reinforce what constitutes the prototypical characteristics described by Ashforth & Johnson (2001, pp. 33-34). Correspondingly to Pratt (2001, pp. 19-20), our findings pointed out that reinforcing how different departments should have for values and what values the managers in those departments have makes it easier to deal with organizational group confrontation, as those individuals has an easier time working with one another due to sharing similar traits. As such, organizations should highlight the high order identities individuals may have and the shared prototypes, then identify and to find the individuals who best fit the newly merged organization (Hogg, 2001, pp. 201).
The findings show that when the various respondents wanted to retain individuals, the means used by managers were typically incentives or them conveying the possibility of improving one’s career in the newly formed organization. The discontinuity that mergers causes will prompt managers to try to compensate and reward those who are vital to the operations. In our findings, the mergers which prompted this type of behavior from the respondents were brought up in cases where the mergers were unequal in nature. Often, the companies the respondents worked for felt that it was necessary to retain individuals through means, as the discontinuity might bring issues for individuals who comes from the smaller companies. This aligns with the theoretical framework, wherein mergers lead to a lack of prestige and control, and the dominant organization in the exchange is more likely to secure continuity in relation to its less dominant counterpart (van Dick et al., 2006, p. 72). Mergers inherently threaten the distinctiveness of groups, particularly the distinctiveness of pre-merger identities that groups have (van Dick et al., 2006, p. 72). Discontinuity was less of an issue in the cases, wherein both organization’s groups appeared to be dominant, due to not having to conform to the other. As such, the various groups involved in the cases did not lose continuity, nor did the lack of continuity affect them as they were able to retain their pre-merger identities to some extent. By ensuring this, the managers of our results kept this in mind when evaluating whether individuals were a good match for the new organization, and if the organization was a good fit for the individuals they wanted to keep. The idea of selective membership based on individual’s contribution was introduced by Moreland et al. (2001; pp. 92-93; p. 95) and our findings build upon their claims. In the cases, the individuals who did not fit the prototype had a hard time to engage in the socialization period where they wanted to satisfy their expectations and ultimately, they became discouraged to claim their place in the organization. This led to increases in expected employee turnover in the reported cases where this was an issue. The results showed that a good way for managers to instill trust and to retain key employees was to relay a long-term perspective of the situation after the merger. Often, individuals are unsure whether they will stay or leave during the merger process due to the changes in situation. This prompts individuals to re-evaluate their future within the organization, and if individuals do not see a future within the organization, there is a chance for them to disidentify and re-evaluate their status as a member within the organization (Moreland et al., 2001, pp. 94-95). As mentioned previously, the respondents attempted to act quickly to reduce this period of uncertainty. One way was through emphasizing the long-term perspective of the organization, and where one’s career will head as previously mentioned. However, the findings mention that if there was negative news regarding the merger that might impact the individuals, it was important to relay that to them. Being direct about the process, and what happens in it, even though it is likely that former identities of employees will not transfer to the new organization, speeds up the membership evaluation process explained by Moreland et al. (2001, pp. 92-93; p. 95) and in 3.1.3. The membership process. Furthermore, managers have to be direct about layoffs so that they are able to focus their efforts on membership evaluation and granting memberships to individuals who will be part of the organization, rather than engage with individuals in this process who will leave the organization. As seen in the findings, the managers and the employees were able to focus on the socialization process with those who stayed, which aligns with Moreland et al. (2001, p. 93, p. 95) views. Furthermore, our findings show that the directness and decisiveness were vital. This contribution adds upon Moreland et al. (2001, p. 93; p. 95) views on membership evaluation and status. In the cases, the managers legitimized the membership statuses of individuals of the merging companies since they were aware if their job status. Therefore, managers who were direct and honest appeared as reassuring to the individuals in the organizations. We concluded that it is vital for managers to reflect these prototypical
values and attributes, which other chosen individuals in the organization can strive to attain and reflect onwards to other individuals in the organization.

5.2.2. Reducing uncertainties and building trust

In line with 5.1.1. The nature of the merger, the findings highlighted a need for transparency. Such observations are aligned with the theoretical framework. For managers, establishing trust and a willingness to collaborate stemmed from being transparent about the on goings of the organizations and about the changes of processes during and after the integration. In reality whenever there is a lack of transparency about the processes that have been established, it is likely that the identities individuals have from their old organization will be transferred over, and the dominant organization then distance themselves from the less dominant groups, as the boundaries are not permeable enough for the identities to transfer to (van Dick et al., 2006, p. 72; Terry, 2001, pp. 229-230; p. 237).

The findings proved that managers have to be transparent about the post-merger integration process. It is important to reduce the time in which individuals in the organizations suffer from negative experiences attributed to stress, anxieties or uncertainties mentioned by Hogg & Terry (2001, pp. 6-7) and Moreland et al. (2001, p. 95). Individuals tend to simplify their realities by using categories (Hogg & Terry, 2001, pp. 6-7; Moreland et al., 2001, p. 95). If an individual associate new salient attributes to their groups, they will be considered prototypical in the eyes of others. As a result, the individual will be considered as a prospective group member (Moreland et al., 2001, pp. 92-93; p. 95). The change in the higher order identity, i.e. the organization, makes it hard for individuals to relate to the new organization and the new groups in the organization (Ashforth & Johnson, 2001, p. 37). In particular, the cross-cutting identities will be hard to establish if there is little information available about the culture, the interest, and how the work of the respective groups occurs (Ashforth & Johnson, 2001, p. 41; p. 45). In such a setting, it is hard for multiple salient identities to be active in the new organizational context, as individuals will most likely stay within their own “boundaries”. Furthermore, the individuals are less likely to depersonalize due to having a hard time defining their own self into a broader and inclusive one for the partner company’s individuals to be part of (Hogg & Terry, 2001, p. 5). The respondents emphasized the necessity to find out similarities and differences through common goals. In truth, individuals tend to adopt prototypical behaviors which reject their counterpart when there are unsure. As explained by Brickson & Brewer (2001, pp. 54-55), they are less likely to interact with each other and their collective identities within their organization will be made more salient.

If there is a lack of continuity, there is a chance that the dominant organization will impose itself unto the lesser one. This aligns with most of our findings wherein the dominant organizations imposed their processes and will unto the other. As such, it becomes harder for the groups to perceive one another as equal when the one group appears to have unequal power, and therefore they will project their identity unto the less dominant groups (Hogg et al., 2012, p. 237). This is done in a way that rejects the identity defining attributes of the less dominant group (Hogg et al., 2012, p. 237). To counteract these negative consequences from emerging, the findings established that managers often try to preserve a sense of continuity for both organization within the newly merged organization.
5.2.3. Empowering individuals

Leadership and its influence in the integration process cannot be understated. The findings showed that it is not simply the integration team’s responsibility to take leadership initiatives. The integration process should include key individuals, who ensure that the integration goes smoothly. According to the respondents, it is the role of those facilitating and implementing the integration to ensure that there is a prototype established and conveyed to the other organization.

The respondents mentioned that there is a vital role that employees play in the integration process. Organizational identities are shaped by individual’s part of the organizations who individually identifies with the group prototype (Moreland et al., 2001, p. 96). The group prototype highlight values and cultures that individuals share. Before the integration, and without proper target actions, individuals tend to stick to their own identities. Furthermore, individuals tend to stick to what they believe and prefer over what they are told to do and to be. As such, it is necessary to have both their extrinsic and intrinsic commitment in order to influence the outcome of integration. We concluded that employees are the ones who understand and influence the outcomes of the integration. If these individuals lack willingness and commitment, then the outcomes of the integration will be hard to manage. As such, it is vital for managers that key employees are identified before the process starts, so that they are able to help facilitate the process of integration.

Our contribution exceeds Hogg (2001, pp. 201-202) and Hogg & Terry (2001, p. 5) definition of group prototypicality, which states saying that the key individuals are the ones who are considered prototypical, i.e. the ones who appears as a role model in the integration and the corporate behavior one wants employees to strive for. Furthermore, our findings highlighted that it is vital to distinguish key individuals from others, as they are the ones who are exposed to the other group members at an individual level. Thanks to them, post-merger integration managers argued that they ensure that there is less friction, as these prototypical members represent the standard in which the new members should attempt to achieve. Having prototypical key individuals and institutional support for them ensure that there exists meaningful and cooperative contact between the groups. Therefore, it ensures that the procedures are intimate, allowing there to be a shift in motivational states wherein individuals focus less on self- and group promotion, which connects with Brickson & Brewer claims (2001, pp. 55-56). The authors state that contact creates and facilitates intimacy, which in turn facilitates the process of integration, while reducing the salience of collective identities.

In the findings, empowerment and integration were facilitated through workshops, but also through managers setting expectations to show willingness to integrate. Interestingly, a prospect membership status was granted to the individuals from an early phase, and there were expectations from both sides to show willingness to collaborate. Similar to Bartel & Dutton (2001, p. 123), we found out that by verbally declaring affiliation to a group to the other, it shows commitment and a willingness to collaborate and to integrate. Further, by promoting cooperative interdependence the groups have with one another and highlighting their reliance of one another, it was possible for them to facilitate collaboration.
5.2.4. Maximizing synergies through a smart integration

Mergers inherently form a threat to one’s organizational identity. As such, there is also a need of continuity in the way individuals organize themselves. It is necessary to embrace both sides of the coin, otherwise one side feels unequal, leading to disidentification amongst the other group members, ultimately prompting them to disengage psychologically from work situations and creating an intergroup divide (Hogg et al., 2012, p. 237). The findings showed that it was necessary to appear objective and fair when it comes to deciding processes.

It is possible for organizations and the individual’s expectations to diverge during this time of change, and the significance of this divergence impacts the level of commitment individuals have to the organization. As such, it becomes necessary for the individual to re-evaluate their position in the organization, wherein they will, together with the organization, try to accommodate one another (Moreland et al., 2001, pp. 94-95). As mentioned previously, individuals will cherish their membership and protect their status in their own group, however if the goal is to reduce collective salience, it is important that there is clarity in the process (Terry, 2001, pp. 230-231; Brickson & Brewer, 2001, pp. 54-58). Often, the dominant group is the one that imposes their ways unto the less dominant one (van Dick et al., 2006, p. 72). Therefore, it is vital that there is intergroup permeability as well as individual mobility since it ensures that individuals will have an easier time to transition from one group to another (Terry, 2001, p. 237; van Knippenberg & van Leeuwen, 2001, p. 251; p. 255; Gaertner et al., 2001, p. 276).

Even though the socialization process attempts to maximize both party’s needs, this process must be cut short, through direct initiatives. If directness about processes are shared amongst actors in the organization, individuals will know what to expect at an early phase, which reduces the ambiguity about the process. The socialization process is iterative, and individuals may engage in it multiple times. Therefore, our findings showed that managers who are straightforward in the way they communicate, promote salient attributes such as openness to establish norms and to empower individuals to make decisions. By establishing and ensuring that individuals would adopt the prototypical behaviors and conducts managers believed to best fit the organization, it became easier for individuals to claim their membership and for managers to legitimize their leadership (Hogg & Terry, 2001, p. 3; Moreland et al., 2001, p. 91; p. 96; Hogg, 2001, p. 201).

The integration process contains many stakeholders which have different interests they want to uphold. Mergers inherently cause discontinuity, and individuals typically want to preserve their identities since they have invested significant time into cultivating it (van Dick et al., 2006, p. 72). Compromising salvages some level of continuity for both parties. However, the members of the newly formed organization can disregard the new processes and still work the same way as they did in the pre-merger entity. This causes a problem when establishing the new organization, since individuals ignore the newly established norms of the newly formed organization, ensuring that goals are not met (van Knippenberg & van Leeuwen, 2001, pp. 253-254; Giessner et al., 2011, p. 333; p. 335; p. 339). As mentioned previously, managers are the ones who establish the prototypical norms and practices that occurs within the organization. We concluded that it is vital to choose the best processes that aligns with the prototypical nature of the organization, its culture and its processes. Further, this responsibility falls on the managers.

The findings also made it clear that this is the focus of managers, however if the managers are not able to, they have to be blunt and reject the opposing organization’s processes. The
motivation for this is that the effort shown when evaluating processes makes individuals more likely to show increased willingness of integrating in the process compared to if there was no effort shown by the manager. The findings align with the theoretical framework, wherein the projection of egalitarianistic norms should be done in a way that makes individuals perceive one another as equals (Brickson & Brewer, 2001, pp. 55-56). By enabling individuals to perceive one another as equal, it facilitates successful interactions between individuals in the organization as seen in the findings (Brickson & Brewer, 2001, pp. 55-56). Further, the norms that are displayed by the prototypical individual make it so that the motivations and goals align with the organization’s, allowing for effective intergroup contact (Brickson & Brewer, 2001, p. 56).

5.2.5. Fostering collaboration

Findings showed that managers were able to ensure that their efforts are reciprocated by the groups in their organizations, while setting expectations on individuals who want to be part of the organization. On the other side, the employees were expected to show a willingness to integrate to the organization. According to the fourth precondition of the contact theory, institutional support, different norms and policies have a great deal of influence on whether individuals engage in cooperative behavior (Brickson & Brewer, 2001, p. 56). Additionally, the theoretical framework also highlighted that individuals are driven by a need of worth (Hogg & Terry, 2001, p. 5; Pratt, 2001, p. 17; Tyler, 2001, p. 155; Jost & Elsbach, 2001, p. 183). This also aligns with the second precondition of the contact theory, cooperative interdependence which explains that people rely on give-and-take interactions based on mutual concerns. These claims were confirmed by our results.

Organizational performance is contingent on the use of collaboration between organizational groups (Brickson & Brewer, 2001, p. 55). By relying on individuals, it brings down the boundaries that different groups have (managers and employees from the two organizations) and allows them to interact at an individual level. This allows them to understand the individual traits that they possess, thus reducing the salience of the collective identities (Brickson & Brewer, 2001, pp. 54-55). This was confirmed by the findings, where managers became more relatable to people, due to setting these expectations. We concluded that the managers highlighted the importance of the employees in the merger process, which helped facilitate the process of collaboration.

Additionally, the results show that the managers were aware of the consequences of their decision making have and their implications on the individuals. As such, it is pertinent for them to be more inclusive in the process of integration. In some cases, individuals had some level of input into the on goings of the organization. This allows the managers to reduce the salience of the collective identities to bring individuals on the same page, which was also supported by Brickson & Brewer (2001, pp. 50-52) and Ashforth & Johnson (2001, p. 37). Accordingly, our findings showed that interactions became easier, and the evaluation process that individuals underwent became easier to facilitate as they had a part in shaping their own future. This builds upon Moreland et al. (2001, pp. 92-93; p. 95) claims, who stressed that individuals that undergo a socialization process to gain full membership in a group will only commit to it when they feel that the group can satisfy and maximize their needs. Thus, allowing individuals to participate in shaping their future in the organization plays a vital role in the socialization process.

The intergroup dynamics between groups show that individuals tend to look at what makes them distinct from other groups in terms of attributes and try to cherish these when resisting change in group dynamic (Hogg & Terry, 2001, p. 3; Terry, 2001, p. 237; p. 242). When
individuals are pitted against one another, there is a reluctance to cooperate with one another, even though the goals are ultimately the same for the organization. We found out that two individuals who come from two distinguishable organizations with different cultures, work processes and norms, start to work together, it leads to conflict. In contrast, we found out that individuals going through mergers have their own pre-merger identity, which they associate with working in a certain way. According to Bartels et al. (2006, p. 50), this influences how well they will integrate into the new organization. The result of not managing this aspect makes it so that individuals will become less likely to depersonalize due to the collective nature as working as a unit has dissipated (Hogg & Terry, 2001, p. 5).

Therefore, an important factor for managers is to establish how individuals should work together, but also recognizing the process in which individuals will have to go through to be able to work together, so that they share a similar identity. The results explicitly presented that for collaborative efforts to truly thrive, there was a necessity to utilize cross functional teams. This establishment of cross functional teams, and how they would work together is ultimately up to the integration manager.

The individual responsible for the integration needs to understand the salience that different identities have in certain contexts. This means that the nested identities, and how these identities would interact with other cross-cutting identities that individuals from specific groups have (Ashforth & Johnson, 2001, p. 37; p. 41). In these contexts, it is assumed that the higher order identities are salient, however due to the difference individuals have inherently in terms of not having a similar function or work processes, it causes issues (Ashforth & Johnson, 2001, p. 35; pp. 37-39; p. 41). Individuals reject one another at this time, especially if they do not align and they do not feel that they are able to change one another and accomplish their needs (Moreland et al., 2001, p. 93). On the other hand, it is important to ensure that there is contact, as that reduces the chances of these types of intergroup conflicts from happening (Brickson & Brewer, 2001, pp. 54-55).

Based on this, it is possible to use the contact hypothesis to analyze how organizations presented in the results should manage the process of enabling individuals to thrive in collaborative environments. The first precondition is acquaintance potential. These are the opportunities individuals have when trying to understand one another allows individuals to perceive and accept one another as equals. The intimacy that emerges from these situations alters people’s perception of another, thus allowing them to accept new information and open them up for collaboration (Brickson & Brewer, 2001, p. 55). As shown in the findings, this was done through initiatives such as workshops or conferences, which allowed the managers to define the process of granting and claiming. The theory states that the claiming and granting methods should be audible enough, meaning that the organization meeting the other can proclaim this in an explicit way. The theory continues with that there must be efforts made to grant and claim memberships (Bartel & Dutton, 2001, p. 128). By using certain elements like workshops and day 1 town hall meetings, it was possible to facilitate the socialization process for the respondents, whereby the commitment levels on both sides were raised until both parties accepted one another. Furthermore, by defining the salient attributes that makes the other organization’s groups unique, our findings make it known that it is possible to define the ingroup prototype in such a way that it becomes easier to evaluate for the individual seeking membership into the new group. First introduced by Moreland et al. (2001, pp. 92-93; p. 95) and later confirmed by our results, the criteria for fulfilling one another’s needs has to be made clear at an early stage.

The second precondition is cooperative interdependence. In this process, individuals rely on various give-and-take interactions based on shared concerns (Brickson & Brewer, 2001, p. 55). However, intergroup conflicts that stem from different groups competing for
resources or having different beliefs of how work should be conducted is still a major problem since they are not obvious (Hogg et al., 2012, p. 234). Therefore, our findings confirmed that it was imperative for managers to ensure that goals are aligned. Still, there is a need to ensure that there is some level of cohesion and agreements between the groups. As such, it is important for managers to look beyond simply aligning functions, and understanding what salient characteristics emerge in given contexts to understand actions and motivations individuals have in certain work contexts. To appease individuals on both sides, there needs to be some level of continuity, which is exemplified in the theoretical framework (see. 3.3.1. The continuity of one pre-merger identity). In contrast to our theoretical framework, the findings showed that discontinuity did not happen in any of the cases. The respondents ensured that there was some preservation of identity during their mergers. The respondents also ensured in their cases that the best practices from both sides were used. However, in KB’s case, the merger was a forceful assimilation, which led to an increase in employee turnover. Due to the disenfranchisement, the individuals had psychologically distanced themselves, thus their pre-merger identities did not transfer over, similar to what was suggested by van Dick et al. (2006, p. 72).

The third precondition is equal status. This is the extent to which individuals perceives one another as equal. Typically, when group are of unequal status, similarly to the findings, there is a risk that the higher-status group will project their identity unto the other group (Brickson & Brewer, 2001, pp. 55-56). As such, there is a risk that there will be alienation and disidentification in the lower-status groups (Hogg et al., 2012, p. 237). Since a major goal of mergers is typically to gain synergies, it is vital for managers to ensure that there is a sense of egalitarianism within the organization, otherwise individuals’ distance themselves psychologically and reduce their efforts. As shown in the results, the respondents worked hard to ensure that there was a sense of fairness in the organization, and that individuals would not feel that they were treated unfairly. The worst-case scenario is as described by Hogg et al. (2012, p. 237), it is that an intergroup divide would surface from this and it becomes even harder for managers to create an overarching collective identity wherein individuals feel satisfied with their work situations.

The fourth precondition is institutional support. This explains how different policies and norms in the organizations influence the motivations of individuals, and how they facilitate intergroup contact (Brickson & Brewer, 2001, p. 56). In our findings, these norms and policies are mainly institutionalized by managers. As such, it was important that they highlight and promote supportive prototypical norms, values or attitudes, as highlighted by Brickson & Brewer (2001, p. 56). Since individuals use and accept categories to feel part of a greater cause, it ensures that the membership status of individuals happen easier, since these attributes are meant to be used for the benefits of all (Moreland et al., 2001, p. 93). These egalitarian norms are then a contributing factor to the creation of a common identity throughout the organization.

Overall, we concluded that managers are integral in this process, as they decide what constitutes as being prototypical in the organization, and how work will be conducted in the new organization. The findings showed that it is important to align all individuals to work towards a common goal when attempting to facilitate collaboration. As such, establishing what is considered as prototypical, and then making it so that individuals will know what it means to be prototypical by establishing boundaries is significant in order to ensure organizational entitativity (Moreland et al., 2001, p. 96). When individuals do not get along together in the context of merger, it is typically due to there being intergroup differences and a lack of continuity for one group, as argued by Jost & Elsbach (2001, p. 182), Terry (2001, p. 221) and van Dick et al. (2006, p. 72). Our findings pointed out that the vital aspect
is to ensure continuity, whilst ensuring that there is contact between individuals who; work different jobs; originally worked for different organizations; and are used to different work processes. The issue is not only about ensuring collaboration through cross functional teams or ensuring that individuals do not compete for the same resources. Rather, it is vital for managers to acknowledge what it means for an individual to disidentify as a singular person and as a person from a specific group, to be able to inherit the prototypical behaviors assigned to the larger- or high order group, also argued by Hogg & Terry (2001, p. 5), Moreland et al. (2001, p. 91; pp. 95-96) and Hogg (2001, p. 201). By this we mean the higher order identity, and more specifically the organization’s identity.

As stated above, the results showed that the respondents emphasized a great deal of continuity in the process of integration. By ensuring that processes did not change, it alleviates stress from management and the individuals to design and implement processes from scratch. Even though continuity was mainly achieved by the dominant organizations in the findings, there were also cases where it was achieved by the other company. Importantly, our contributions contrasts with the theoretical framework which states the importance of continuity for creating a post-merger identity (van Dick et al., 2006, p. 72). The findings present that it was important for the managers to reconcile and to prioritize the best aspect of both companies’ processes to ensure that both sides would be able to feel that the boundaries were less imposed, and that the legitimacy of both organizations would not be challenged. As such, it was important for them to ensure that there was little ambiguity of membership status, as these would lead to turnover intentions, anxiety and a lack of cohesion (Bartel & Dutton, 2001, p. 116; Hogg, 2001, pp. 201-202).

5.2.6. Reducing tension and competition

Since managers are the ones who facilitate the process of integration, it becomes necessary for them to understand the salience of the different identities, and what the different departments expects from work. Higher order identities are more likely to be enacted in group confrontations like those in mergers, therefore, managers need to lower the boundaries between the different groups and ensure that individuals will not show resistance to the new changes (van Dick et al., 2006, p. 72; Terry, 2001, p. 236; p. 242). As mentioned previously, the organization’s that had to change the most in the findings were mainly the dominated organization. If the dominated group perceives these boundaries to be impermeable, or if they do not deem the dominant organization’s groups to be legitimate, they may show resistant and challenge the status of their counterpart (Terry, 2001, p. 229; p. 233; Jost & Elsbach, 2001, pp. 183-184).

As such, managerial decisions must be understandable and reasonable for individuals in the organizations. If individuals are perceived as equal, in terms of the information they gain but also through the empowerment they gain, it will facilitate successful interactions amongst people (Brickson & Brewer, 2001, pp. 55-56). Organizational identities are enacted when the collective organizational context becomes salient, thus managers should strive to promote the higher order identity as much as possible, and to ensure that these identities are enacted in given contexts (Brickson & Brewer, 2001, pp. 50-51; Ashforth & Johnson, 2001, p. 31; pp. 45-46). This aligns with our findings where managers promoted the higher order identities by establishing expectations, and would attempt to make the boundaries less permeable, so that individuals disidentify and align themselves with one another (Terry, 2001, pp. 229-230; p. 237).
The results showed that a significant amount of negative behaviors that is attributed from competition, mainly stems from individuals having to compete directly for resources (such as customers) or doing a similar job which makes them protective of their resources in the context of the new organization. Competition was mainly viewed as something negative to deal with in the post-merger integration process. In the cases where the goal was not to change the acquired companies’ processes, the acquirer still had to align the acquired company’s operations with their own. The extent of this depends on the deal that is made. Due to companies aligning functions, which leads to work processes becoming entrenched, there is a need for managers to ensure that individuals work together. However, when individuals work towards similar goals and must share resources, they are likely to engage in competitive behaviors unless conditions are met which allows them to mutually coexist (Brickson & Brewer, 2001, pp. 54-55).

It was possible to analyze how contact between groups reduces intergroup conflicts such as negative competitive behaviors. Firstly, by ensuring that individuals are exposed to one another, it is easier for them to seek out high order identities shared by individuals from the organization and to develop intimacy, which in turn allows individuals to accept one another as equals (Brickson & Brewer, 2001, p. 55). As such, individuals are more likely to be open and accept new information as well as to cooperate (Brickson & Brewer, 2001, p. 55). Secondly, by ensuring that there are interactions wherein people in the organization are reliant on one another, it ensures that interactions become easier and more successful (Brickson & Brewer, 2001, p. 55; van Knippenberg & van Leeuwen, 2001, p. 253). Third, due to the unequal nature of mergers, higher-status groups are prone to engaging in behaviors where they project their salient attributes unto the less dominant group. As a result, it excludes the smaller group identity defining attributes, thus making individuals less likely to want to cooperate with their counterparts (Hogg et al., 2012, p. 237). Finally, by ensuring that there is support from the organization in terms of policies or other practices, managers ensure that meaningful intergroup contact occurs (Brickson & Brewer, 2001, p. 56).

When the cultural aspects cause tensions, the cases show that, rather than ensuring that individuals adapt to one’s way of working completely, it should become a mutual process. The verdict shows that it is necessary to ensure that there is some level of continuity for both organizations, but also for the newly merged entity. This is evident when companies align their operations, the differences in how they conduct work and what individual’s value is often overlooked. As a result, the membership process wherein the individuals are meant to claim an identity they relate with, does not happen, since there is little effort put in by the opposing groups to grant them a membership. For individuals to be accepted, and for them to feel that they are part of the group, our findings aligned with Bartel & Dutton’s (2001, p. 128) views, wherein the authors argued that individuals need to put in effort into claiming as much as their counterpart does when granting them one. In the end, the membership results depend on if the membership status is granted and on if the individual is believed to conform to the ingroup prototype (Bartel & Dutton, 2001, pp. 116-117; Moreland et al., 2001, pp. 96-97; pp. 98-99).

An outstanding factor to highlight, based on our results is that the type of integration plays a vital role in there being issues with competition. Turnover intentions, as well as other negative behaviors towards the partner company as well as the merger itself is mainly considered a problem in the cases where the integration efforts affects the whole organization. In small scale acquisitions or add-on acquisitions, the notion of competition was not in the mind of the managers, as they were certain that the acquired company’s processes would stay the same and that they would not have issues with continuity. Since
the organization that acquires these companies do not directly align their functions with them, and only makes small incremental changes, there is little contact to be made. Therefore, for these cases, a stronger sense of continuity would exist, meaning that the positive pre-merger identity transitions into a positive post-merger identity, due to the lack of changes to work in these mergers (Joseph, 2014, pp. 433-434). Furthermore, the socialization process is only there for a few who interact with the other organization, but since they do not work in tandem with them, there is very little thought that goes into claiming new membership status (Moreland et al., 2001, p. 93; p. 95).

As stated in the findings, there was a consensus on planning, as well as the approaches when it came to map out different departments and functions to understand their relationships with one another. Vitally based on our findings, we concluded that establishing contact is imperative in order to ensure that there is some cooperative interdependence between individuals from both sides (Brickson & Brewer, 2001, p. 55). By mapping out the different departments, it allowed the respondents to understand which ones would face the most change, and they were then be able to work towards ensuring that the groups coming in to the organization had some level of continuity, which in turn ensured that they did not disidentify with the organization or that there was no intergroup divide which would hinder progress (Joseph, 2014, pp. 433-434; van Dick et al., 2006, p. 72).

5.3. The realization of the integration plan
5.3.1. Communication efforts

The findings showed that the communication efforts made by organizations are essential for success in the post-merger integration. As such, it is relevant for management to ensure that the conducts and the way communication is adapted in the organization is aligned with its strategies, goals and values. This aligns with the theoretical framework, wherein individuals rely on categories to reduce uncertainties and to simplify their realities (Hogg & Terry, 2001, pp. 6-7; Moreland et al., 2001, p. 95). The importance of communication plans cannot be understated, as these helps reduce ambiguity surrounding the operation and parties involved (Hogg & Terry, 2001, p. 7). By emphasizing the salient attributes such as openness and transparency, it was possible for respondents to ensure that there were prototypical standards which individuals sought to adopt when seeking group membership in their respective cases. This aligns with the membership process, wherein individuals legitimize their membership status towards one another by adopting certain conducts and behaviors which are considered prototypical for a group’s standards (Moreland et al., 2001, p. 91; p. 96; Hogg, 2001, p. 201).

In organizational contexts where collective and higher order identities become salient, individuals will undergo a depersonalization process, wherein they will attempt to enact an identity considered by others as appropriate for the organizational context (Hogg & Terry, 2001, p. 5). If individuals are not certain of the conducts and behaviors which are prototypical, they will have a hard time conforming to the group prototype, thus they become excluded from the group and potentially favoring their own ingroup instead, by using exclusionary words such as ‘they’ instead of ‘us’ (Abrams & Randsley de Moura, 2001, pp. 144-145; Hogg & Terry, 2001, p. 3; Moreland et al., 2001, p. 91; p. 96; Hogg, 2001, p. 201; Bartel & Dutton, 2001, p. 120; p. 127). This will prompt lower-status group members to either improve themselves individually to fit the group prototype and engage in the socialization process with them once more, or they will engage in ingroup bias to make themselves stand out and their identity more salient (Abrams & Randsley de Moura, 2001, pp. 144-145). Hence, it is necessary to ensure that there is justification and clarity about the
choices being made as it reduces the perception of ingroup favoritism and discriminatory behaviors, whilst promoting equality (Brickson & Brewer, 2001, pp. 55-56).

Based on this fact, and the results, we concluded that there has to exist relational management in the integration process. By this, we mean that the closer the manager is to the employees, the easier it is for them to trust and relate to the communication efforts the manager makes. Since it has been established that the manager wields the tools which influence and create work processes, and which creates prototypes within the organization, their role in facilitating proper communication channels to ensure that people work together cannot be understated. By ensuring communication channels, it was possible to facilitate cooperative interdependence in a way that promoted individuals’ willingness to increase their own communication efforts with one another. If individuals felt that there was little communication, or that they perceive themselves to be isolated from their counterpart, they would be less likely to take initiative in communication efforts. Furthermore, if there is no regular contact, interactions between individuals suffer, and individuals might not perceive one another as equals. Thus, one group might feel that they will keep operating in their own way, due to there being less incentives or reasons to work with one another. This prompts them to exclude the lower-status group’s identity defining attributes and prompts them to disidentify themselves with the other group. As a result, performance worsens. Due to this, there is a need for managers to ensure that these barriers and boundaries are broken down so that individuals feel the purpose of working with one another.

The respondents emphasized that there is a need to confirm and reassure individuals about the state of things. As mentioned previously, the leader’s role in the process is to ensure that there is some level of trust and willingness to communicate amongst individuals. By being close enough to the individuals, managers ensure they understand and know what the prototypes and ways of working are, so that they have an easier time to claim membership in the group. Intimacy is an important factor since it allows individuals to accept cooperation and to accept new types of information. Thus, managers ought to be the link between the groups, ensuring that regular contact is established and that the salient attributes of work processes are understood by individuals so that they align their practices. This corresponds with the findings, which show that managers should emphasize repetitive output in the information sharing process. Since mergers alter identities, while making identities less distinct from their pre-merger states, one party is more likely to face intergroup discrimination than the other (Joseph, 2014, p. 434). This is due to one group being able to keep hold of their pre-merger identity, and therefore being able to impose their identity and defining attributes unto the other (Joseph, 2014, p. 434). Consequently, there is a need for managers to ensure that there is some level of continuous communication to reassure individuals who undergo the socialization process that the less dominant group has an understanding of the prototypical attributes, thus being granted membership status (Moreland et al., 2001, p. 93; p. 95). In addition to reinforcing procedures which create contact among individuals, we concluded that the communication efforts should be institutionalized through norms by managers and adapted to individuals they want to reach. Further, it needs to be done at an early stage to reduce ambiguity and confusion, so that individuals understand one another and shape their identities to reaffirm one another’s status as members of the group. This finding is in line with the contact theory, wherein norms and policies influence the goals and ambitions of individuals, making it easier for them to engage in cooperative contact and ultimately facilitates intergroup relationships (Brickson & Brewer, 2001, pp. 55-56).

An interesting factor that was mentioned in the findings was that communication efforts ought to focus on common goals, and on commonalities the individuals from the various
groups share in terms of work and personalities. By highlighting the commonalities individuals share through communication efforts, it is possible to leverage these cross-cutting identities to align individuals with one another in positive ways (see *Figure 1 and section 3.1.2.1 Identity order and salience*). Individuals are more likely to identify with individuals with who they share things in common with, since it eases the cultural differences commonly found in mergers (Ashforth & Johnson, 2001, p. 37; Hogg, 2001, pp. 202-203). In the findings, the respondents stressed that it is vital to ensure that there are some commonalities that are found and that they should be leveraged to form some level of cohesion for individuals in the organization. Our findings confirmed that since one organization gets to have more continuity than the other, it is hard for individuals entering a new organization to form their identity, as the individual might feel distanced and would not claim membership in the group, and psychologically distance themselves from work situations (Hogg et al., 2012, p. 237). For instance, commonalities could be that there is an interest in a sport amongst the individuals, and so individuals will feel that they are staying in an organization that aligns more with their beliefs and attitudes. Thus we, concluded that by ensuring that group dynamics help facilitate the intimate process wherein individuals want to get to know one another, it will open up people to concern for others well-being and to a motivational state where they primarily will not focus on the self- and group promotion, as highlighted by Brickson & Brewer (2001, p. 55).

5.3.2. Time span

One noteworthy finding that appeared frequently in our results is the significance of using an integration plan and a strategy for conducting it. In addition to being well prepared and executing the plan well, the success factor most cited in our findings regards the quickness of the process. Our findings showed that a successful merger integration must be done as quickly as possible, under the right time schedule. The right timetable depends on the scope of the merger and the difficulty of the integration work.

The respondents portrayed differences in their executions of their integration plans, whereas some were faster than others, and some were focused integrating more processes into the respondents newly formed organizations. In the literature, we saw that individuals rely on categories to reduce uncertainties and to simplify their realities (Hogg & Terry, 2001, pp. 6-7; Moreland et al., 2001, p. 95). This aligns with the views of the respondents, who mentioned that the integration must be fast to reduce the anxieties that individuals have during the transitional period. The reason why individuals who undergo the integration process feel anxieties is due to them needing to feel belongingness (Maslow, 1943, pp. 380-381). Naturally, individuals will use categories to fill that void of belongingness. However, when changing over to a new organization with new processes, people and potentially a new name, it causes problems due to how the identity they once had has changed (Pratt, 2001, pp. 19-20; Bartel & Dutton, 2001, p. 128). By acting fast, managers get people on the same side, they hold the key to speed up the identification process wherein individuals use and accept categories to feel part of a greater cause, the cause of the company (Bartel & Dutton, 2001, pp. 116-117).

We also found out that another aspect of having a fast integration is to ensure that there is some level of continuity within the newly merged organization’s operations. If the plan of integration is carried out hastily, it means that the internal work processes and functions of the companies are aligned at an early phase. As such, people are more exposed and reliant on one another at work. This aligns with the acquaintance potential, which refers to the opportunities individuals within organizations have in order to get to know one another (Brickson & Brewer, 2001, p. 55). In the merger process, instead of accepting new
membership in a group, individuals usually opt to treasure their current pre-merger membership and protect the status of their group by resisting the changes in dynamics in the integration process (Hogg & Terry, 2001, p. 3; Terry, 2001, p. 237; p. 242). Further, this leads to further complications due to one group projecting their salient attributes unto a less-dominant group, which consequently makes them disengage psychologically from everyday work in the new organization (Hogg et al., 2012, p. 237). Therefore, we have drawn the conclusion that the urgency in the integration process ensures that these problems are identified and dealt with in an early phase, but also alleviates these problems for individuals involved in the process.

Further, the results stressed the necessity of cutting down the time in which individuals spent on evaluating their membership status in a group, as well as reinforcing the legitimacy of the organization and its operations, similar to what was mentioned by Moreland et al. (2001, pp. 92-93; p. 95) and Terry (2001, pp. 229-230). This finding is also in line with Gaertner et al. (2001, p. 268), wherein the authors mentions that if the process takes too long or the superiority of one group is questioned, it leads to competitive behavior and members will eventually distance themselves from the group.

As mentioned previously, some respondents explained that the length of the post-merger integration process is also dependent on the structural and cultural differences the organizations have. When two organizations who inherently have different corporate culture, work in different ways and have different values join forces, it causes problems. The respondents conceded that the organization which is perceived as dominant is usually the one that appears to impose their will on the partner company. We concluded that it is vital for the manager to acknowledge the power of permeability of group boundaries and how easy it is to go from one group to another, which confirms Terry’s (2001, pp. 236-237) claims. Otherwise, it would lead individuals to disidentify with their present group in the new organization due to intergroup discrimination or disidentification, as highlighted by Joseph (2014, p. 434).

5.3.3. The importance of evaluation and feedback

The investigation of the findings shows that when managers look to gather feedback about the integration process, they often try to look at the financial metrics together with metrics which measures the satisfaction levels of individuals, the employee turnover rate and to measure collaborative effort. Furthermore, the investigation proved that the most important factor with this effort is to ensure that employees from both pre-merger organizations are satisfied. After all, it is vital for managers to ensure that individuals are aligned, and that they are grouped in the same categories. Individuals enact their prototypical identities in different situations, making prototypicality more gradient in organizational contexts. Therefore, it is imperative to evaluate the progress of the organization, establish what is prototypical, and if individuals are distinguishable from other groups.

The understanding of what salient identities are enacted by individuals in certain situations is useful when attempting to understand the intergroup dynamics between different pre-merger groups (Hogg & Terry, 2001, p. 5; Brickson & Brewer, 2001, pp. 54-55). It is still necessary to highlight that individuals tend to implicitly cherish their memberships and protect their groups (Hogg & Terry, 2001, p. 3; Terry, 2001, p. 237; p. 242). According to respondents, it was necessary to use metrics or evaluation methods to unveil and explain those dynamics, along with the underlying motivations and reasoning individuals had for behaving in certain ways.
According to respondents, the evaluation is done multiple times over the course of a merger. The iterative nature of the evaluation is due to the changing circumstances within organizations. This aligns with the theory of the membership process, wherein individuals are granted membership after continuously evaluating, reviewing and compromising with the group they inquire membership in (Moreland et al., 2001, pp. 92-93; p. 95). Individuals undergo depersonalization, meaning that they change their definition of themselves to fit a broader and more inclusive category (Hogg & Terry, 2001, p. 5). Through this process of depersonalization, individuals begin to define themselves as a part of the broader group and will adopt certain behaviors and conducts which are considered prototypical (Hogg & Terry, 2001, p. 3; Moreland et al., 2001, p. 91; p. 96; Hogg, 2001, p. 201). Whether individuals are accepted into the group is contingent on their ability to perform actions which declares to the other members that they are part of the group (Bartel & Dutton, 2001, pp. 125-126; p. 128). However, these methods of granting and claiming membership may not be evident on the surface. Through the evaluation process described in 3.1.3.2. Membership evaluation and status, individuals undergo scrutiny and socialization with other parties, commitment levels will increase until there is a sense of acceptance from the group to accept the individual. Importantly, the process of socialization wherein groups and inquiring individuals attempt to evaluate their relationship is iterative, and if there is a divergence of beliefs and values, individuals become marginal members of groups (Moreland et al., 2001, pp. 94-95). The resocialization cycle begins anew, and the groups and the inquiring individuals will change one another until they converge and agree with one another (Moreland et al., 2001, pp. 94-95). By using evaluation surveys and metrics, one might miss out on experiencing the membership process in which individuals undergo. As such, we concluded that it is important to ensure that there is someone who has an ear to the ground, and who understands what is going on, since the membership process is often not explicit enough for individuals’ part of the process.

The effort and the intensity that goes into the evaluation process during and after the integration is contingent on the cultural differences of the organization and the overall size of the merger operation. Importantly, the evaluation process is iterative and should take into consideration the underlying factors that individuals have such as differences in culture. However, it is also important for managers to ensure that the feedback gained from this process is put into use. As mentioned previously, when individuals inquire about membership in a group, they undergo a socialization process where they change one another to maximize the accomplishments of their needs. Still, if there is a lack of change occurring, it will lead to the parties feeling that the other does not meet their criteria. Therefore, managers need to ensure that the prototype and the higher order identity is inclusive through implementing feedback. This aligns with the theoretical framework, wherein individuals are driven by self-actualization, thus they try to seek membership in higher order groups which shares their positive definitions as the inquiring individuals has of their self (Maslow, 1943, pp. 380-381; Bartel & Dutton, 2001, pp. 116-117). Mergers are inherently imbalanced when it comes to allocation of human resources and the retention of work processes typically favors the dominant group. The dominant groups will project their self on the other, whereas individuals who come from dominated groups will have to deal with changing their identities and conforming meet the standards of a new group. As such, ensuring that there is legitimacy in the group membership process ensures that the boundaries appear permeable ensures that individuals will acknowledge the other group and disidentify to join them (Terry, 2001, p. 229; p. 233; Jost & Elsbach, 2001, pp. 183-184). Our contribution highlights the manager’s role in the post-merger identification process. Management need to ensure that there is some level of disidentification occurring and that the legitimacy of their actions through initiatives which seeks to promote a collective identity and equality are used to

5.4. The outcomes of the integration and its effect on individuals

In this section, we have highlighted the effects of the integration plan on individuals, i.e. groups, along with their reactions to it in relation with one another. This denotes the part of our proposed research framework component ‘lightning’ and the identities symbolized as A and B represents the pre-merger identities (see. Figure 5). In particular, this section highlights the effects intergroup dynamics have on individuals in relation to the framework component, which will help us determine the nature of post-merger identity.

In the findings, an overarching theme that appears is how mergers evoke strong emotional reactions among individuals. As explained by Gaertner et al. (2001, p. 65) and made explicit by the respondents, each company has its own pre-merger organizational identity, and these remain unchanged unless targeted actions are used. These observations unveiled the artificial nature of mergers bringing together entities that do not belong to one another and the inability of two pre-merger identities to become one naturally, as assumed by van Knippenberg & van Leeuwen, (2001, p. 253). Actions used to facilitate the process were presented in section 5.2. The role of the integration managers and their plan. In this section along with 5.1. The context of the post-merger integration, we have highlighted the importance of individuals and their commitment to influence the outcome of post-merger identity. This is in line with Gaertner et al. (2001, p. 266), which mentions that mergers directly require group members to compromise their identity, so they become a collective, higher order identity.

In this setting, the type of integration did not matter in this process as well, whether it was a light integration or a full integration, there is a need for an integration plan which takes these similarities and differences into consideration. The respondents which had hinted at having overlooked these differences were cases where there was an increase in unexpected employee turnover. This aligns with the theoretical framework, wherein individuals who want to become part of a group has difficulties doing so, due to the granting and claiming dynamics (Bartel & Dutton, 2001, pp. 120-121; p. 127; p. 128). Individuals tend to disidentify when the collective becomes salient in organizational contexts, but if they do not conform to the ingroup prototype, and if the individual does not perceive the other to be able to help them fulfill their needs, an individual becomes a marginal member of the group (Moreland et al., 2001, pp. 94-95).

In line with integration, the results made it clear that the level of integration in terms of how much the individual feels that they are part of the newly formed organization, is dependent on how exposed they are to the integration process. The involvement in the process, whether it is the changes of one’s work processes, the exposure to new individuals, or one’s perception of structural changes that affect them all play a vital role in determining how one feels about the integration. Individuals that are not exposed too much changes will most likely preserve their level of continuity, whereas other groups exposed to it will have to deal with some level of discontinuity. Due to this separation, it causes difficulties for the non-exposed group since one part of the organization or various groups have changed, at least in some part, what is salient about them in order to accommodate and grant membership status to another group. As such, there is a level of discontinuity on a different nested identity, such as the department, division or workgroup causing individuals to feel less included in salient contexts within the organization (Ashforth & Johnson, 2001, pp. 33-34). We draw the conclusion that the drift away from these now distinct groups makes creates intergroup conflicts wherein individuals protect their group status, whilst resisting change.
in group power and status configuration (Hogg & Terry, 2001, p. 3; Terry, 2001, p. 237; p. 242). The effects lead to increased competition, resistance to change and a resocialization process where commitment levels individuals do not feel that there is change on both sides (Abrams & Randsley de Moura, 2001, pp. 144-145; Moreland et al., 2001, pp. 94-95). This means that even though managers typically do not factor in those who are not affected directly by mergers, it is still be worthwhile informing or giving them an opportunity to still feel part of the group that changes after the merger. It is assumed that higher order identities are most likely to be enacted during mergers, but the findings shows that it is not the case for all, as some felt that the nature of the very identities they have cultivated within the organization changed (Ashforth & Johnson, 2001, p. 35; pp. 37-39; p. 41; Gaertner et al., 2001, p. 265).

In this effort of making organization become one in the post-merger, respondents stressed the importance of setting good pre-conditions for it to happen. One of the most critical preconditions is explaining the reason why the operation happens and why it is needed. Such initiatives promote commitment from individuals to act towards the integration while identifying new needs and proposing M&A as a means for fulfilling those needs (Moreland et al., 2001, p. 93). The commitment of individuals is very significant as they a key factor leading to group formation or group exit (Moreland et al., 2001, pp. 92-95). The process by which individuals identify or deidentify - i.e. remaining in the organization or quitting - refers to the membership process presented by Moreland et al. (2001, pp. 92-95) and Bartel & Dutton (2001, p. 124, pp. 127-128). According to the membership process, individuals from each distinct group constantly evaluate how one another contribute to their goals and needs (Moreland et al., 2001, p. 93). The commitment level they feel towards one another increases depending on the fulfillment of these objectives (Moreland et al., 2001, pp. 93-94). Furthermore, Moreland (2001, p. 95) and Bartell & Dutton (2001, p. 119) specifies that the process is continuous and does not have an ending as the cycle is reiterated at any time. We concluded that the process of integration does not have a ‘real’ end, as it is a continuous process in regard to the ‘human’ side of the organization and the merger. In this process, employees from both groups evaluate the evolution of their group identity in order to recognize to each extend they recognize themselves in the proposed post-merger identity. In the event, they cannot see much of their own pre-merger identity, individuals from each group respectively assess to which extend the proposed post-merger identity is satisfying based on their needs and expectations. Accordingly, our contribution illuminates the fact that the sense of continuity for both entities presented appeared necessary but not essential in their decision-making processes, similar to what was highlighted by Joseph (2014, pp. 433-434).

The featured reflection is crucial in the process of post-merger identification as it preconditions individuals’ actions. This reflection is portrayed in 3.1.3.2 Membership evaluation and status and 3.2.2 Intergroup dynamics, where we related the intergroup relationship and willingness of individuals to join another group based on the perception they have of the other group and on which extent the adhesion to this new group meet their inner goals (Moreland et al., 2001, pp. 93-94; p. 97; Bartel & Dutton, 2001, p. 116; pp. 127-128). Accordingly, this is from this preliminary reflection that the membership application process for the post-merger identity starts.

In our theoretical framework we explained that membership depends on each party’s commitment, along with clear and relevant acts to grant and claim membership status (Bartel & Dutton, 2001, p. 128). As discussed throughout 4.3 The role of the integration manager and the integration plan, respondents explained their thought process behind their integration plan, including their actions and communication efforts used to integrate the
organizations successfully. In reality, they combined the use of symbols and distinctive acts to facilitate the processes. Those symbols and list of actions assimilates to the ones described by Bartel & Dutton (2001, p. 121; p. 124; p. 127). Then, respondents repeated how individuals’ reactions and acceptance to each other played a crucial part in the integration work (see. 4.5. The outcomes of the integration and its effect individuals). In truth, integration cannot happen without the will from both parties to contribute to one another. Interestingly, there was a unanimous agreement between the respondents regarding keeping individuals satisfied. In particular, they mentioned that there will always be individuals who do not want to integrate, and that should be taken into consideration. In line with these arguments, respondents also confirmed literature (Moreland et al., 2001, pp. 96-97; Bartel & Dutton, 2001, p. 127; Terry, 2001, p. 233; 236; p. 242) where they stated the positive evaluation and mutual respect of their identities are critical in the process of post-merger identification as it raised commitment levels.

An interesting observation from the findings made it clear that the willingness to be integrated was contingent on the amount of influence the process has over individuals during the merger. Further, those exposed to the process the most are the ones who have their commitment and happiness levels altered during the process. Employee’s commitment is influenced by factors such as status, legitimacy and acquaintance potential (Jost & Elsbach, 2001, pp. 183-184; Terry, 2001, pp. 230-231). Individuals are driven by a need of positive self-esteem and a sense of worth when it comes to their work identities (Maslow, 1943, pp. 382-383; Hogg & Terry, 2001, p. 3; p. 5).

Respondents unanimously recognized that employees mind about their status, job roles, titles and responsibilities post-merger. As a result, dissatisfaction in this regard caused the increase of employee turnover for some respondents. The findings showed that factors pertaining to the status of individuals tends to overlook expected monetary incentives regarding employees. Accordingly, the findings pointed out that creating and communicating a win-win situation contributed positively to the creation of the post-merger identity. Some respondents went even further in their approach as their coupled the win/win situation to a 50/50 in which the integration tactics were used to promote a sense of fairness and equality (see. 4.2.2. The creation of an ecosystem for the integration). Such procedures refer to the application of the common ingroup identity (see. 3.3.2. Common ingroup identity). In this model, positive evaluation, legitimacy, opportunity, proximity and egalitarian norms are used to reach cohesion (Gaertner et al., 2001, p. 268; Terry, 2001, p. 233, p. 242; Gaertner et al., 1993, p. 8; p. 12; p. 15).

The results showed that it is necessary to use middle management to help facilitate the process of integration, as they are the ones who are in most contact with employees during the process of integration. All respondents highlighted that contact between different organizations needed to be promoted and ensured at an early stage. If interactions are allowed before the merger takes place, it needs to be undertaken. However, typically the real impact of group contact happens on the day the merger is effective, i.e. day one. As discussed previously, new foundations of the post-merger identities are either set or approached on this day. Thus, it is still important to bear in mind that the outcomes of post-merger integration depend on both the individuals and the strategy of integration employed. Individuals are more likely to react positively to one another if they were previously introduced (Brickson & Brewer, 2001, pp. 54-55; Gaertner et al., 1993, p. 8; pp. 12-13). Once introduced, the groups would have the opportunity to understand one another and to develop the required intimacy to make collaboration emerge (Brickson & Brewer, 2001, p. 55). The other benefit of contact theory is that it allows groups to figure out their similarities, so that the creation of a collective identity is possible (Brewer & Gartner, 2000, pp. 452-
453; Pettigrew, 1998, pp. 75-79). However, contact theory is a double-edge sword since misconceptions created by the first contact would perdure and abort further chance to unify groups (Brewer & Gartner, 2000, pp. 452-453; Pettigrew, 1998, pp. 75-79).

Assimilation, or the continuity of one of the pre-merger identities refers to the post-merger identity being an extended continuation of one of the pre-merger identities, whereas combination, or common ingroup identity where the post-merger identity is the integration of both pre-merger identities into a superordinate, overarching, identity (van Dick et al., 2006, p. 72; Gaertner et al., 2001, pp. 268-269). Strategies targeting either the assimilation of one identity over another or the combination of several identities are equally acceptable as long as they are defined in advance. However, the party facilitating the integration has to ensure that they have sufficient resources for this to happen and that the outcome is in line with the nature of deal, the objective of the operation and rational choice based on the size of the target, and on people and cultures concerned. It is important to acknowledge that the assimilation and combination cannot be radical, as the outcome will not satisfy every stakeholder in the organization, which is in line with Gaertner et al. (2001, p. 270) arguments. The authors explained that pre-merger identities never really disappear. Partly because some may still not recognize themselves in the so-called combination or because they do not spot the advantages of such combination for them.

According to the findings, most respondents emphasized their will to make the post-merger identity as the combination of the strengths part of the two former identities. By this means, they expressed their will to create a superordinate identity in the newly merged entity. This identity relates to the model of common ingroup identity explained by Gaertner et al., 2001, pp. 268-269). In order to do so, they explained it was essential to take the dynamics of different cultures and beliefs into consideration. As argued by the authors, they looked for the commonalities of the group (Gaertner et al., 1993, p. 8; p. 12).

Whereas the outcome of the cohabitation of multiple identities in organizations are mitigated in research (Gaertner et. al, 2001, p. 270; p. 282; Ashforth & Johnson, 2001, p. 39; pp. 45-46), all respondents highlighted how happy they were with the performance in their respective organizations. Apparently, they managed to keep a balance so that no pre-merger identities overtook another one. The assumption that one identity may keep competing with another and then, one may take over was argued by Terry (2001, p. 229; p. 233) and Jost & Elsbach (2001 pp. 183-184). In our results, we found out the key rationales of such balance. Those key rationales are rooted in the behavior of groups and values communicated. These includes, humility about one’s own strengths and weaknesses, being transparent, and being inclusive through displaying tolerant fueled acts such as setting common goals. The common goals created a common vision which finally helped groups to find one other, despite of their differences, as exemplified in the common ingroup model. In such settings, similarities of companies played a minor role as what truly mattered is the extent to which each groups’ corporate values and culture found a common ground. As a result, we concluded that the post-merger identity after undergoing the post-merger organizational identification process is one of two things. Our contribution shows that it either takes the form of two assimilated identities which cohabitate, or one overarching identity with remnants of pre-merger identities. The way in which an identity does not remain a pre-merger identity in the integration is dependent on the actions undertaken by the managers, and how well they are able to facilitate the process through various means presented in the previous parts of the discussion.
5.5. Revisions to our proposed theoretical framework

Through the results and the analysis, we found new arguments which prompted us to revise our proposed theoretical framework. The insights provided by the results and the analysis through the use of our theoretical framework highlighted aspects about the post-merger identity which our revised theoretical tool depicts (see Figure 9). However, in order to understand the nature of the post-merger identity, it is necessary to establish an understanding of the various elements in the integration process which are integral to the formation of a post-merger identity.

Firstly, before a merger takes place, organizational identities are distinct from one another as illustrated in Figure 6. As we have highlighted earlier, group prototypes, and consequently identities, are based on the differences one group has in comparison to another, instead of their similarities. The motives behind establishing an identity is to promote self-esteem, through the promotion of the self to the detriment of another (Jost & Elsbach, 2001, pp. 183-184; Hogg, 2001, pp. 203-204; Gaertner et al., 2001, p. 268). In such settings, individuals and groups go deeper in the identity level to make characteristics that differentiate themselves from others more salient (Ashforth & Johnson, 2001, p. 43; p. 45). The level and the nature of the salient aspects depends on the context (Ashforth & Johnson, 2001, p. 37; p. 47). In the case of mergers, corporate culture level embedded in the organizational identity were made salient systematically. By nature, corporate culture with its aligned norms and values are unique to each organization, as they shape its daily operations. As a result, corporate culture is the core foundation of a group’s identity in our paper.
Secondly, the principle of mergers is to combine organizational capacities. Accordingly, the two distinct entities groups are brought together at the time of the merger (see, Figure 7). The analysis highlighted that a lack of supervision prevents the assimilation of identities. Truthfully, identities cannot become one naturally and dual identities in organization may jeopardize efficiency (Gaertner et. al, 2001, p. 270; p. 282; Ashforth & Johnson, 2001, p. 39; pp. 45-46). Our findings exhibited the fact that an organization cannot perform well without some level of identity coordination. Accordingly, an integration project should be conducted to reach an ending point in integration. The nature of the ending point in the integration depends on the reasons for the merger, the means employed and more importantly the individual reactions. The various intergroup dynamics and the efforts put in by managers are therefore important, as mentioned in 5.2. The role of the integration manager and the integration plan. However, they cannot assert the outcomes without proper commitment and actions from the individual’s part of the group they attempt to integrate as highlighted in 5.1. The context of the post-merger integration and more specifically on how managers have an influence in this process in 5.2.3. Empowering individuals. Furthermore, the way in which the integration of multiple identities is facilitated, the different aspects that the integration plan should include, and the execution of the integration plan is presented in 5.3. The realization of the integration plan. Thus, it is still important to highlight what managers and leaders should have a clear picture of what they seek to be the ending point in the integration, i.e. the post-merger identity.

Third, the nature of the post-merger identity is contingent on the performances made by managers in the previous steps of our model. Therefore, it is necessary that the performances undertaken initially consider the effects on the individuals of an organization. We concluded that the post-merger identity, in regard to the analysis of our findings, has two characteristics when undergoing the post-merger organizational identification process. Firstly, the post-merger identity can be an extension of the pre-merger identity wherein the pre-merger identity can operate smoothly without conflicts with other groups from the partner organization. This was common in cases where the emphasis was not about assimilating identities, but rather preserving organizational culture and processes (see, 5.2.1. Identifying and retaining key personnel). Secondly, the post-merger identity is a combination of two identities, wherein what constitutes as being salient is what both group’s shares in terms of prototypes as previously stated in 5.4. The outcomes of the integration and its effect on individuals. This is also illustrated in Figure 8. However, we found out that there are multiple types of post-merger organizational identities. Through our discussion and analysis, we figured out that more or less conflicts can emanate from different applications of integrations. Plus, the post-merger identity is rarely unique in the merged entities. In
practice, pre-merger identities always remained no matter the number of years after the merger as presented in 5.4. *The outcomes of the integration and its effect on individuals.* Thus, integration is considered successful if the merged entity remain performant after the merger and that identities are sufficiently coordinated so that the operation happens smoothly. In that setting, the existence of a superordinate identity is salient, regardless of which integration plan is pursued. The integration plan simply guides the creation of the superordinate identity as either one of the pre-merger identities or the combination of the strength of both pre-merger identities. Therefore, we concluded that there could be variations of our third step of the model, due to how different merger operations and efforts all individuals’ part of the integration made, which completes the revised model presented in *Figure 9.*

![Diagram](image)

**Figure 9. Revised framework of the post-merger organizational identification process**

A, B = Pre-merger identity
Lightning = Intergroup dynamics, which includes: Contact hypothesis and Intergroup dynamics
Grayed area: Post-merger organizational identification
Superordinate identity = Post-merger identification

The cloud is the environment of the merger through SIT. It gathers the components of group formation, i.e the Categorization process which includes: Self-categorization process and Group prototypicality; the Identification process with the Identity order and salience; and the Membership process with the Claiming and granting dynamics along with Membership evaluation and status. In addition to these components, the cloud gathers the specificity of the merger and group involved.
6. Conclusions and contributions

In this chapter, we present the conclusions based on the discussion and analysis of the results drawn from the previous chapters. This chapter is followed by the contributions of this research which demonstrate how our thesis contributes theoretically, practically, to the academic, business and society altogether. Thereafter, the social considerations will be explained to highlight ethical aspects in regard to our study. Finally, we discuss the limitations of our thesis and provide suggestions for future research.

6.1. Conclusions

The purpose of our thesis was to understand and examine the process of post-merger organizational identification, how it is formed and comparing it with the pre-merger identities in mergers. By narrowing down our purpose, we formulated the following research question and sub-questions:

- How can post-merger identification be managed and integrated in an organization?
  - How can organizational identities transit from a pre-merger state to a post-merger state successfully?
  - What is the outcome of the post-merger identification process?

In our thesis, we concluded that the manager has a vital role in facilitating and shaping the post-merger organizational identification process. There are many factors that come into play, and they need to be taken into consideration by managers. Firstly, a sound and efficient integration plan is the key to maximize success in the post-merger process, and within it, managers should consider the emotional states which individuals will have during the different stages of the integration. Furthermore, the way integration managers plan to integrate work processes also plays a crucial role. We concluded that it is crucial to reach compromises and elect processes that are in line with the goals of the mergers and which fosters the right values that are highly sought after in the newly merged entity. In addition to work processes, we found out that identifying and utilizing key employees to help facilitate the integration process is vital for a smooth integration. The best way to utilize this aspect is to identify prototypical members and empower them so that they will act as role models to their fellow employees. Thereby, they promote the prototypical behaviors and values that managers wish to encourage in the newly merged entity.

Furthermore, in order to facilitate this post-merger organizational identification process, manager’s implementation strategies must use targeted communication efforts to facilitate successful intergroup relationships and integration. The communication efforts should be rigorous and constant throughout the process, flexible according to each group’s preferences and job type, and there needs to be a level of transparency and authenticity from managers who lead the process of integration. The manager must shape their communication efforts to ensure a sense of inclusiveness, unity and cooperation amongst individuals, and to bring down the cultural barriers between groups. To bring down these barriers, commonalities amongst the entities merging have to be identified and aligned to ensure that individuals are on the same page. At the same time, it creates a sense of inclusiveness and a possibility of cooperation between the groups.

Overall, careful integration planning, an effective strategy, and a fast execution of the integration permitted the transit of organizational identities which tackles our first sub-research question. It is important to highlight that we confirmed the theoretical assumption that post-merger organizational identification is a process which emanates from the
commitment of individuals part of the merged organizations. Corporate culture or identities are shaped by people in hope of fulfilling their needs. Furthermore, we saw that post-merger integration managers can facilitate and influence the process of post-merger identification. In fact, they conduct actions which promotes a specific post-merger identity which can be used as a model for the newly merged entity, however they cannot impose their ways on the other. In reality, individuals will either refuse or accept to adopt identities.

This is critical to consider as it contributes to the answer of our second sub-research question. We concluded that individuals’ part of a group intrinsically refuses to adopt the proposed post-merger identity completely, while choosing to remain in the merged entity, their pre-merger identity will endure. In practice, pre-merger identities never disappear from merged organizations, since every individual part of groups will not make this identity salient in the organizational context. The goal of post-merger integration managers is to make their proposed organizational identity salient at the time when it is essential in the organization, in order to deliver the expected outcomes of the merger. In practice, this was realized through the explanation of why the merger was needed for different groups part of the merged organization.

Furthermore, we concluded that the nature of the proposed post-merger identity is multiple, and it depends on the goal of the merger. Additionally, we evidenced that the nature of the post-merger identity does not depend solely on the efforts made by managers and their execution of the integration, but also on the goal of the merger. When the goals of the mergers were to acquire new organizational competences, the proposed post-merger identity was a new identity which combined the strength of the two former identities. When the goal of the M&A was to enter a new market, the proposed post-merger identity was the continuation of one of the pre-merger identities. In our paper, we referred to the former as a combination of two identities which formed an overarching identity, and the latter as an assimilation of one identity into the other. Regardless, the proposed post-merger identity is not alone in the newly merged entities, rather, it coexists with other pre-merger identities.

6.2. Theoretical contributions

In order to discuss the relevance of this thesis, it is important to first reflect on the extent to which our study contributes to the field of SIT and M&A. Further, we will also discuss how this study answered the identified research gaps we identified in the introduction and the problem discussion. According to Nguyen and Kleiner (2003, p. 448), a lack of cultural fit could lead to intergroup conflicts between workforces, which can lead to lower employee commitment and cooperation, consequently causing an employee turnover. Further, Stahl and Voigt (2004, p. 52; p. 73) argued that this causes problems in the post-merger integration process. In the problem discussion we showed that different papers argued the differences in cultural distance of individuals and their performance after acquisitions. Some articles argued that this negatively impacts mergers, others argued for its positive impacts. In line with these differences, Björkman et al. (2007, p. 2) expressed that there are unidentified factors which can affect the merger process. Finally, Empson (2004, p. 759) called for future studies about organizational identification, as there is lack of research about how organizational identity changes overtime.

This study addressed the aforementioned research gaps. Firstly, our thesis contributes to findings about cultural differences and their negative implications on organizational performance, as brought to light by Nguyen and Kleiner (2003, p. 448), and specified for the post-merger integration process by Stahl & Voigt (2004, p. 52; p. 73). Through our qualitative study of managerial perspectives on the process of post-merger integration, our
findings highlighted how the intergroup differences individuals have can be managed in the integration process. Furthermore, by exposing the process in which integration managers and representatives assessed and planned for the post-merger integration along with the factors they considered, the thesis accounted for how these strategies are based on previous experiences. Our findings showed that the negative and positive impacts that surround mergers are contingent on proper planning in the pre-merger phase. Managerial action, understanding intergroup differences, conducting steady communication, showing transparency and monitoring are essential during the post-merger process. These cited factors answered the call from Björkman et al. (2007, p. 2). Moreover, these factors could be used to combat the cultural differences inherent in organizations. The way in which organizational identities change during the post-merger identification process have been outlined in our study, which responds to the appeal made by Empson (2004, p. 759). Our study outlined various nuanced factors which affect the way in which identities emerge, change and of how they are formed.

Our study contributes to the literature of SIT in the context of M&A. Indeed, we contributed to existing knowledge about the formation of the post-merger identity in an organizational context. The application of SIT in M&A context enabled us to broaden the scope to understand which factors and actions are necessary to take in these identity defining situations. By adopting a managerial view, it gave us an interesting perspective on how practitioners can adopt practices, their strategic perspective on the human aspects of the merger and how individuals change overtime. Our study has provided findings, which in contrast with the literature that focuses on the individuals, that shows the important role managers have in facilitating the post-merger identification process, and the implications of their actions.

6.3. Managerial contributions

From a managerial perspective, we present lessons which practitioners can learn from our study and apply in organizational contexts. Firstly, it appeared crucial for practitioners to recognize the role that the integration has in shaping and facilitating the post-merger organizational identification process. Our findings showed that the challenges lie in managing the inherently different organizational identities. As such, the vital role managers have in shaping the processes should bear in mind the psychological changes individuals undergo in the process.

Our thesis combined the different theoretical and empirical viewpoints which both are useful when attempting to understand the post-merger integration process. These are outlined in the theoretical framework and the thematic codes used to present the data. The explicit methods and tools used such as integration plans, communication plans, aligning functions and trust building are essential to ensure success in the post-merger integration process.

In conclusion, our thesis provided insights about the post-merger integration work which often does not take into consideration the individual employee’s perspective in the pre-merger planning phase. Insights such as the way goals are communicated, transparency, the ways which managers can foster intergroup relationships and the way to structure the integration plan with regards to those going through the integration process were highlighted in our findings, discussion and analysis, and conclusions. Overall, our paper provides means for promoting success of post-merger integrations, which consequently comes from enhancing the chances of realizing synergies. As such, we hope that our
findings may provide more knowledge to practitioners, so that it may be easier for them to approach the integration of groups and to realize expected synergies.

6.4. Social considerations

Previously, we discussed our ethical considerations in regard to our execution the study. However, it is still vital to explain the social and ethical implications that should be considered when discussing M&A activities in relation to our thesis. Today, M&A as growth strategies have ethical consequences, applicable for societal and business settings. As previously mentioned in the background of our thesis, there is an increase in M&A activities wherein more capital and stakeholders are involved. The psychological aftermath that these activities have on individuals involved in the process cannot be understated. Anxiety and uncertainty were considerable factors which managers in our study wanted to eradicate from the minds of their employees, during the integration process. As such, it is vital that the managers consider the individuals are affected in the process and how their emotional states are altered during it.

Even though it is hard to make predictions of future events, it is possible to see the implications M&A activities have on market and on the individuals. The growth in these activities affects the market situation for its incumbents in the form of competition and the job market situation. The integration phase part of the M&A often involves employee turnover, invariably affecting employees who lost their jobs and leading those who remain to fear for the safety of their position in the organization. As a result, the post-merger identity is affected, and individuals will attribute their negative feelings to M&A transactions and the newly merged organization.

By merging or acquiring, companies increase their market share which can destabilize the market and the business decisions of other companies. Therefore, regulations exist to ensure so that the company engaging in these activities behave ethically, with consideration to the societies and markets they operate in. On a larger scope, legislations ensure that vainglorious and reckless behavior are prohibited. Therefore, M&A activities can increase without negatively impacting the market ecosystem and the stakeholders involved. These legislations also ensure that organizations must ensure that individuals are kept in mind as well. Still, there is a need for managerial intervention in this process to ensure the well-being of individuals who have their identities altered through the process of post-merger organizational identification.
6.5. Limitations and suggestions for future research

The limitations of this study can be split up into two categories: one is method-related, and the other is theoretical-related. In our study, we managed to have 14 respondents. Even though this was sufficient enough and it increased the nuance of opinions included in our study, we only reflect on the different experiences the individuals have with M&A and their insights regarding it. The insights yielded by the respondents were all relevant, however due to some of them having different job titles, such as post-merger integration manager or HR Managers for instance, they inherently have different perspectives, especially due to their roles in the process. Both are interesting to use, due to their relevance for our study and their understanding of the ‘human aspects’ of mergers. Furthermore, we questioned the respondents about their assessment of various events and of their actions. Therefore, there is a risk that they were not be fully objective. Still, the respondent’s accounts were similar and plausible, which helped us to confirm the plausibility of our findings.

We also have identified the shortcomings for our study in terms of our methodological approach. The ideal situation for us would have been to interview respondents in person, however due to complications, and distance issues, we were only able to conduct two interviews in person, and the 12 others over Microsoft Teams, Zoom and Skype. Even though we were able to see the respondents and make eye-contact with them, we were unable to perceive the differences in body language they had when asked certain questions. As a result, this absence of a physical presence could have hampered our interpretations of certain types of answers, depending on the reactions of respondents.

In terms of theoretical limitations for our study, we have analyzed the phenomenon of post-merger organizational identification in M&A from a managerial perspective. The perspectives that we have learned also influence our understanding of the phenomenon, and thus influence the findings and the analysis. Our findings reflect our interpretations, theoretical framework and our pre-understandings. Therefore, alternative theories and perspectives could have interpreted our data differently. Thus, these limitations prompt an opportunity for future researchers to adopt multiple theoretical perspectives, not simply the one we did in this thesis.

In our thesis, we can neither confirm nor deny that there is a case for there being no post-merger identity. We acknowledge that if there is no integration, there might be no post-merger identity. Our assumption is then that pre-merger identities will be unattached to the post-merger identity, or the other organization’s identity. This case was not mentioned by the respondents, and is not commonly addressed in the literature, however depending on the perspective we adapt, our proposed framework would look different.

In terms of future research, we consider our thesis to have identified three topics to be researched upon. Firstly, our findings provided an insight into the importance of using psychometric analytical tools in the merger process. The value it brings was heavily emphasized by some respondents. They argued it is the new way of understanding the post-merger integration process. This has not been mentioned in the literature of SIT; thus, future studies could investigate the use of psycho analytical tools as ways of assisting the post-merger integration process.
Secondly, future studies could extend the theoretical approach of our study. This study adopted a managerial perspective; however, future research could look through an employee’s perspective. Further, we acknowledge that we have focused on different managers from different organizational contexts. Thus, our recommendation is to focus on one organization, and see how different individuals in different work positions and tasks handle a merger, and how their identities change over time.

Finally, our study could be extended by combining the use of employees and managers from the same companies and analyzing their cases side by side with other employees and managers from different companies. The longitudinal perspective would allow researchers to ascertain how specific elements, opinions and attitudes change over time throughout an integration. The study would contrast individuals with similar roles in different industries, to find distinguishable variables pertaining to specific industries. Therefore, the experiences gained by these managers and individuals throughout the process would be monitored, and how they choose to adapt these teachings during and after the merger would be accounted for.
7. References


Tetenbaum, T.J. (1999). Beating the odds of merger & acquisition failure: Seven key practices that improve the chance for expected integration and synergies. Organizational dynamics. 28 (2), 22-36


Appendices

Appendix A - Interview guide operationalization

Thanking them for accepting to be interviewed.

Assuring them that their personal information is anonymous, then we remind them of what they consent to and discuss what information they allow us to disclose. Plus, we explain them that our interview question tackle one specific of merger case they worked with and talk about it during the interview.

Introductory questions

- How old are you?
- What are your job responsibilities?
- How long have you worked in this organization?
- Have you ever experienced a merger previously in your career:
  - As part of the managerial team?
  - As part of the non-managerial team?
  - Could you briefly tell us if you would you qualify it as a success or a failure, according to you? Why?
  - Which factors do you believe determine the success of merger integration?

- Why did your companies merge? Was it for:
  - economic reasons,
  - strategic positioning,
  - legal reasons

<table>
<thead>
<tr>
<th>Concept</th>
<th>What we want to find out</th>
<th>Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>The categorization / Identification processes</td>
<td>1. Identities of the groups (company level)</td>
<td>1. Can you describe the company yours were to merge with?</td>
</tr>
<tr>
<td></td>
<td>a. Prototypes</td>
<td>a. In terms of industry, way of doing, market, values, offerings and processes?</td>
</tr>
<tr>
<td></td>
<td>b. Power/status</td>
<td>b. In terms of size, reputation, market position?</td>
</tr>
<tr>
<td></td>
<td>2. Outgroup difference (company level)</td>
<td>2. How different was it from your company?</td>
</tr>
<tr>
<td></td>
<td>a. Prototypes</td>
<td>a. In terms of industry, way of doing, market, values, offerings and processes?</td>
</tr>
<tr>
<td></td>
<td>b. Power/status</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Identities of the subgroups (if existing)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Prototypes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Power/status</td>
<td></td>
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</tbody>
</table>
### post-merger identity nature and process of identification

#### The categorization/Identification processes

1. Extent of the sense of Continuity, changes & Commonality settled post-merger in this company
2. Extent of the sense of Continuity, changes & Commonality settled post-merger in the other company

#### 1. To which extend the following elements remained the same in your organization:

- Corporate culture
- Organizational and financial performance
- Processes and ways of doing

**a.** What changed for your organization in respect to those elements?
- Corporate culture
- Organizational and financial performance
- Processes and ways of doing

**b.** What stayed the same for your organization?
- Corporate culture
- Organizational and financial performance
- Processes and ways of doing

#### 2. To which extend the following elements changed in the other organization?

- Corporate culture
- Organizational and financial performance
- Processes and ways of doing

**a.** Were there part of those cited elements that were new for your organization, but
<table>
<thead>
<tr>
<th>Membership process</th>
<th></th>
<th>not for the other organization?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Claiming dynamics</strong></td>
<td>1. Was there involvement from the other organization’s teams even before these means of communication, policies or other initiatives used?</td>
<td><strong>a. Was there involvement from the other organization’s teams even before these means of communication, policies or other initiatives used?</strong></td>
</tr>
<tr>
<td>a. Willingness</td>
<td>b. Effectiveness</td>
<td>b. Effectiveness</td>
</tr>
<tr>
<td><strong>2. Granting dynamics</strong></td>
<td><strong>1.</strong> a. Which? What was the message? How did you treat those?</td>
<td><strong>2.</strong> a. Have you intended particular means of communication, policies or any other initiatives to integrate the other organization’s teams with yours?</td>
</tr>
<tr>
<td>a. Willingness</td>
<td>b. Effectiveness</td>
<td>b. What responses did you get from your initiatives? What worked the most? The least? Why? Is there any means you would have expected to work better or less based on your experience?</td>
</tr>
<tr>
<td><strong>3. The basis of membership evaluation</strong></td>
<td><strong>2.</strong> a. What responses did you get from your initiatives? What worked the most? The least? Why? Is there any means you would have expected to work better or less based on your experience?</td>
<td><strong>3.</strong> a. What were the expected synergies for your company and for the other company before the merger?</td>
</tr>
<tr>
<td><strong>4. Membership status</strong></td>
<td><strong>3.</strong> a. What were the expected synergies for your company and for the other company before the merger?</td>
<td><strong>4.</strong> a. Were the expectations met?</td>
</tr>
<tr>
<td>a. As result from the evaluation of needs fulfillment</td>
<td>b. As a result from commitment</td>
<td>b. To what extent did the unmet expectations influence the commitment levels of both organization in terms of collaboration? Did it create new common needs?</td>
</tr>
</tbody>
</table>

*Intergroup relationships*
| Contact hypothesis  
(pre-merger And merging time) | 1. Acquaintance potential  
2. Initial reactions about the merger  
3. Cooperation will & ability  
4. Existence of other facilitating factors:  
a. Institutional support  
b. Material | 1. Have your company ever worked with the one you were to merge with?  
a. How well did you know one another? For how long?  
b. Did you or your teams get the opportunity to mingle before the merger was announced?  
2. What did you anticipate the merger to be like for the company? How the other company react when they were announced the merger?  
3. Did you experience issues working with peers from the other company initially? Which and what resulted?  
a. Is there any group of employees who were reported to have more issues than others in terms of collaboration? Were there groups in particular who reported to have the fewer issues than others in terms of collaboration? Where did these issues originate?  
b. Based on your experience, is it common? Why do you think so?  
4. a. Would you say managers from the previous organizations helped facilitated the integration process? To what extent did they help, and how? Was there resistance?  
b. Did you and the other company have similar ongoing projects before the merger? Did it |
| Intergroup dynamics (post-merger) | 1. Collaboration  
2. Resistance  
3. Permeability of barriers  
4. Ingroup bias and competition  
5. Compromises reached  
6. Existence and cohabitation of multiple identities  
7. Results of the process if cohabitation | 1. Were any common projects created after the merger? How do you evaluate the collaboration in the new organization?  
2. What were prominent challenges you experienced when it came to dealing with groups resisting change? Did you perceive resistance? In what way?  
   a. Do you perceive there to be more competition or increased tensions after the merger?  
   b. Based on your experience, is this common?  
3. Did the merger have employee layoffs?  
   a. Which side was affected the most?  
   b. Were employees from redundant positions the only ones replaced in the newly merged entity?  
   c. What resulted?  
4. Did you notice more competition, more tensions, or any other negative behaviors, inside the organization, after the merger? Which and who?  
5. What compromises did you have to make to satisfy the different groups of employee’s needs? What were those needs initially?  
6. Overall, do you feel unified yet?  
   a. If no, do you feel the integration is fully done or still ongoing?  
   b. What is missing for a full integration?  
   c. In general, do you believe that the post-merger integration is always an ongoing process? |
7. Are you happy with how things are right now? For instance, in terms of:
   a. Organizational and financial performance
   b. Human integration
Appendix B - Interview guide

Introductory questions

- How old are you?
- What are your job responsibilities?
- How long have you worked in this organization?
- Have you ever experienced a merger previously in your career:
  - As part of the managerial team?
  - As part of the non-managerial team?
- Could you tell us about one specific merger case you find interesting to talk about, in regard to our study?
  - Could you briefly tell us if you would you qualify it as a success or a failure, according to you? Why?
  - Which factors do you believe determine the success of merger integration?

Company and merger specific questions

1. Why did your companies merge? Was it for:
   a. economic reasons,
   b. strategic positioning,
   c. legal reasons
2. Can you describe the company yours were to merge with?
   a. In terms of industry, way of doings, market, values, offerings and processes?
   b. In terms of reputation, size, market position?
3. How different was it from your company?
   a. In terms of industry, way of doings, market, values, offerings and processes?
   b. In terms of reputation, size, market position?
4. What did you anticipate the merger to be like for your company?
5. How the other company react when they were announced the merger?
6. What stands out between the groups from the respective organizations?
   a. In terms of job responsibilities and departments?
   b. Which of these had particularly more influence?
7. Did you and the other company have similar ongoing projects before the merger? Did it work to your advantage in the process?

Cultures in the companies

Now we’re going to ask questions regarding corporate culture after the merger. We define the term ‘Corporate culture’ as the set of norms, values, behaviors, beliefs, understandings, rites and acts that individuals’ part of an organization share.

8. To which extent did the corporate cultures and work processes stay the same after the merger?
9. What was new for your company in terms of the
   a. Corporate culture?
   b. Work processes?
   c. Financial and organizational performance?
10. Which of those new aspects which were part of the culture and work processes came from the other organization?

Collaboration (intergroup questions)
In this part, we will ask questions regarding how you met your goals through collaboration in the newly merged organization.

11. What were the expected synergies for your company and for the other company before the merger?
   a. Were the expectations met after the merger?
12. To what extent did the unmet expectations influence the commitment levels of both organization in terms of collaboration?
   a. Did it create new common needs?
13. Did both companies engage with one another before the merger? How?
   a. For how long?
   b. Did you or your teams get the opportunity to mingle before the merger was announced?
14. Were there any common projects created after the merger? How do you evaluate team collaboration in the new organization?

Challenges/frictions
We want to ask you questions about challenges you might have faced before, during and after during the integration phase.

15. What were the prominent challenges when it came to dealing with groups resisting change?
   a. Do you perceive there to be more competition or increased tensions after the merger? From who and which?
   b. Based on your experience, is this common?

Communication
We want to ask you questions regarding how communication was handled in the organization before and during the process of integration.

16. Did you experience issues working with peers from the other company initially? Which and what resulted?
17. Is there any group of employees who were reported to have more issues than others in terms of collaboration?
   a. Were there groups in particular who reported to have the fewer issues than others in terms of collaboration?
b. Where and which did these issues originate?
c. Based on your experience, is it common? Why do you think so?

**Initiatives**

18. What compromises did you have to make to satisfy the different groups of employee’s needs? What were those needs initially?
19. Have you intended particular means of communication, policies or any other initiatives to integrate the other organization’s teams with yours?
20. Was there involvement from the other organization’s teams even before these means of communication, policies or other initiatives used?
   a. Which? What was the message? How did you treat those?
21. What responses did you get from your initiatives?
   a. What worked the most? The least? Why? Is there any means you would have expected to work better or less based on your experience?
22. Did the merger have employee layoffs? Which side was affected the most? What resulted?
   a. Were employees from redundant positions the only ones replaced in the newly merged entity?

**Management’s role**

23. Would you say managers from the previous organizations helped facilitated the integration process?
   a. To what extent did they help, and how?
   b. Was there resistance?

**Concluding questions**

24. Overall, do you consider the organizations unified to this day?
   a. If no, do you feel the integration is fully done or still ongoing?
   b. What is missing for a full integration?
25. In general, do you believe that the post-merger integration is always an ongoing process?
26. Are you happy with how things are right now? For instance, in terms of:
   a. Organizational and financial performance
   b. Human integration
27. Do you have anything you believe is important for us to consider regarding our study that you would like to add?
   a. Was everything clear?
   b. Do you have any suggestions for future interviews?
28. Would you be interested in us communicating the outcomes of our study to you?
Appendix C - Messages to respondents

E-mail 1

Hej!

Vi är två studenter från Umeå Universitet som skriver vår Mastersuppsats. Vi skriver om identifieringsprocessen som anställda har under en företagssammanslagning eller företagsuppköp (under och efter processen), och hur man kan undvika konflikt i processen. Vi märkte att ni hos [lägg till företagsnamn] har erfarenhet av detta och skulle därmed vara riktigt intressant att hålla intervjuer med er gällande hur ni har hanterat övergångarna som de olika anställda har haft när dem blir en del av er organisation. Inte bara är det en möjlighet för oss, men även för er, då resultatet från vår studie kan vara hjälpsamma för företag som vill förstå påverkan som processen har på deras anställda och hur de bäst kan integreras i nya arbetsförhållanden.

De vi vill intervjuar är personer som antingen arbetar inom HR eller någon i [lägg till företagsnamn] som har aktivt arbetat med företagsuppköp. Vi kommer självklart att skicka mer information gällande intervjufrågor, intervjustruktur och mer om vår uppsats er väg om det blir intervju så att ni representeras på ett rättvist sätt.

Vi ser fram emot att höra från er!

Vänliga hälsningar,

Aukar Abdi Mohamed och Song Pantaleon

Email 2

Hi,

We are two students from Umeå University in Sweden, and we’re currently writing our master’s thesis. We are writing about the identification process that employees go through in mergers and acquisitions (during and after the processes), and how organizations can manage the transition conflict free. We noticed that [insert company name] has experience working with this, and we believe that it would be very interesting for us to conduct an interview with you regarding how you have handled the transitions that employees have had when they became a part of your organization. Not only is it a good opportunity for us, but also for you as the results for our study can be helpful for companies that wants to understand the affect the processes of M&A’s have on employees and how they can best become integrated to new work conditions.

For our study, we would like to interview someone like from [insert company name] who has worked actively with mergers or acquisitions, or someone from HR who oversaw the process. We will send more information about the interview questions, the structure of the interview, and more information about our thesis if we agree to do an interview. This way we can ensure that you will be represented in a fairly in our thesis.

We look forward to hearing from you!

Kind regards,
Aukar Abdi Mohamed and Song Pantaleon

LinkedIn message

Hello,

We are two master students currently writing our master thesis on the process of post-merger integration. Based on your profile, you have great experience of the topic. Hence, we would be interested in having a short interview with you about it. Is that possible?

Aukar and Song