

# POST-MERGER INTEGRATION ISSUES: THE IMPORTANCE OF EARLY APPOINTMENT OF NEW MANAGERS FOR SUCCESSFUL PMI

**Siw Lundqvist**

Linneaus University, Kalmar, Sweden and Åbo Akademi University, Åbo, Finland  
E-mail: siw.lundqvist@lnu.se

## Abstract

*Managers in the 21th century need to understand how to best show leadership in a merger – not least because of the many unsuccessful post-merger integrations that have been reported in many case-studies. The human factor is fundamental to preventing post-merger failure. A longitudinal case-study, that follows a merger in the public sector, aims at verifying the recommendations in the literature on how to prevent and counter resistance to change. The administrators, whose opinions were investigated, were enthusiastically looking forward to the merger, even though they expected changes to both their information systems they use for daily work and their routines. They looked forward to the merger even as they lacked individual information about their work situation after the merger. After the merger their attitudes changed as a new more authoritative leadership style emerged that was not appreciated. The new top managers were externally recruited and became part of the merger process at a very late stage when they could not build trust with the organization anymore. Our findings confirm prior research findings about the importance of management involvement throughout a merger. Hence new managers should be appointed early in the process so they can take active part in decision-making and trust-building. The longitudinal case-study aims at adding to the knowledge base that can facilitate post-merger implementations.*

**Key words:** Merger and Post-Merger Integration (PMI) in public sector, the time of appointment of management for the new organization could influence the PMI.

## Introduction

The high rate of unsuccessfully realized post-merger integrations (PMI) is an important driver for studying how PMI could be facilitated (Alaranta & Martela, 2010; Blake & Mouton, 1984; Epstein, 2004; Marks & Cutcliffe 1988). According to Institute of Government (2010) the main part of the failures are occurring during the integration phases. Hence there is a need for enhanced understanding of mergers and post-merger integrations (in the following PMI for short), especially from the managements' side, and of learning more about how mergers and PMI's could be facilitated. Research has been carried out in the field of mergers (and acquisitions) during the last decades but still there seems to be key insights that are missing that could increase the success rate; longitudinal in-depth case studies are requested (e.g. Meglio & Risberg 2010; Vijnhoven, Spil, Stegwee, & Tjang A Fa 2006). Hence it is of importance for management that those problems are further investigated in order to find issues that could facilitate the PMI processes. The focus should be on the human factor as this could either contribute to or hinder a merger process. The role that the managers play in mergers and PMI are emphasized in this paper that reports on an ongoing longitudinal case study that follows a merger in the public sector (referred to as the DE-merger; between Org D and Org E). The DE-merger was horizontal and between relatively equals, according to Locke (2007) this does not

hinder that one party could perceive the other one as an acquirer and this could create problems and conflicts in the merger process and in the PMI.

The managers' leadership style – their involvement and acting throughout the merger processes are known to have an impact on how the changes are carried out (e.g. Alaranta 2008; Caudron 1996; Cooper & Markus 1995; Ford & Ford 2009; Marks & Mirvis 1992; Olie 1994; Podsakoff, MacKenzie, & Bommer 1996; Schoole 2005; Tetenbaum 1999). Trust building is a leadership quality that is often perceived as especially important in change processes (like mergers and PMIs; Caudron 1996; Cullen, Johnson, & Sakano 2000; Harman & Harman 2003; Podsakoff, MacKenzie, & Bommer 1996). A change situation that is surrounded by uncertainty, which is common in mergers, could start the rumour mill, activate the organizational grapevine and rumours would flourish (e.g. DiFonzo & Bordia 2000; Harman & Harman 2003; Kurland & Pelled 2000; Mishra 1990; Noon & Delbridge 1993; Schweiger & Weber 1989)

A merger could however require a more directive leadership style than otherwise, especially if the employees involved are highly educated and used to a high degree of involvement (as often are the case in public sector mergers) (Bringselius 2008, 2010; Harman & Harman 2003; Pritchard 1993; Pritchard & Williamson 2008; Weddeburn 1991) - not least because of the need for handling things quickly in order to avoid productivity drops as recommended by Tetenbaum (1999). Employees in public sector organizations are often used to a high degree of participation as they normally work in the organization for many years (Bringselius 2008, 2010).

Prior findings from the ongoing longitudinal case-study shows that the administrators were open-minded to the organizational changes (that they expected because of the merger) and also to the DE-merger itself (that is before it was actually carried out) but afterwards the opinions shifted to lowered satisfaction especially with the new management and with a more hierarchical organization. The administrators reveal a loss of trust for the new management that was appointed very late in the merger process and now they do not appreciate the more authoritative leadership style. In order to understand more about how managers should act in order to keep their personnel positively inclined towards a merger (even afterwards) it is important to understand what issues could be helpful to facilitate a merger and the PMI.

### *Research Focus and Research Questions*

The main purpose for the ongoing longitudinal case study we use as the basis for this paper is to add to the knowledge base on how management can facilitate a merger process and promote a successful post-merger integration. The driving factor for this research is the high rate of unsuccessful PMIs (e.g. Alaranta 2008; Alaranta & Martela 2010; Blake & Mouton 1984; Epstein 2004; Marks & Cutcliffe 1988) and the rather limited literature that is reporting on longitudinal case-studies. The focus is on the human factors that could either hinder or contribute to a successful merger and PMI. The administrators' enthusiasm prior to the DE-merger (Lundqvist 2009, 2010b, 2010c) provided a good starting point to follow up on various aspects of human factors. In this paper leadership style, trust issues, gossip and rumours are investigated. With the aim to collect factors that are important for a successful PMI the research questions are:

- Is leadership style critical for a successful PMI?
- Are trust related issues critical for a successful PMI?
- Are gossip and rumors hindering a successful PMI?

*Management Involvement throughout the Merger Processes*

The need for top management to be involved in organizational changes, e.g. mergers, are often proposed in the literature (e.g. Alaranta 2008; Epstein 2004; Calipha, Tarba, & Brock 2010; Lewis, Romanaggi, & Chapple 2010; Shrivastava 2007; Tetenbaum 1999). Olie (1994) finds that management support is one of the most important issues for achieving successful mergers. The need for management involvement throughout a merger and the PMI processes are required because mergers and acquisitions are known to cause anxiety and frustration among the personnel. This alone could risk that negative opinions are formed – in turn causing employee resistance especially if the job situation is regarded as insecure (Blake & Mouton 1984; Bradt 2008; DiFonzo & Bordia 2000; Epstein 2004; Lewis, Romanaggi, & Chapple 2010; Michelman 2007; Strebel 1996). Marks and Mirvis (1992) emphasize the importance of management's enthusiasm and involvement for the rebuilding after a merger has been carried out – the managers should take good care of those who remain in the organization after a merger. A changed job situation, including the prospect of mastering new information systems (IS) and adapting to new routines, can be scary and the employees worry about possible unemployment due to down-sizing. In a merger the management needs to be prepared for resistance that could be manifested as lowered productivity, motivation and performance, adherence to (old) routines, compulsive repetitive actions (e.g. sabotage), absenteeism, voluntary turnover, health problems and power struggles – partly since employee requirements are not always part of the merger planning (Alaranta & Viljanen 2004; Cartwright & Cooper 1995).

*Leadership Styles in Mergers and PMIs*

Cooper and Markus (1995) state that successful and lasting organizational change requires significant changes among the humans involved in the process and the managers have to set a good example by proposing ideas for change in co-operation with their employees. Some also propose that a firm, directive leadership is needed for a successful merger (Harman & Harman 2003; Pritchard 1993; Pritchard & Williamson 2008; Schoole 2005; Wedderburn 1991). It is common wisdom and also often argued in the literature that employees are getting anxious when changes are approaching (Abrahamsson 2000; Empson 2000; Herron, Dean, Crane, & Falcone 1999; Smith 2005; Washington & Hacker 2005).

Schoole (2005) argues that strategic leadership, i.e. the ability to co-operate, is important for a merger success. According to Schoole (2005) leaders with a history of quarrels and problems in their contacts with potential partners and/or government are not suitable to lead a merger. The same goes for those that are more interested in their own careers. Shrivastava (2007) emphasizes the need for establishing a new strategic leadership as soon as possible in a merger (or acquisition) since top management usually changes after the merger. This makes it important to handle potential problems concerning integration issues as quickly as possible. For example it is critical to establish well-defined authority lines since the managers from the merging (or acquired) parts are unfamiliar with “the other side” and do not understand their work culture, they lack information, and/or they have not yet built trusting relations with the new subordinates yet. Therefore it could be attempting to postpone decisions which could cause failure per se. Shrivastava (ibid.) points out the two most challenging factors for creating a new strategic leadership: i) it has to be immediately established, and ii) it has to take control over factors that impact performance. Tetenbaum (1999) points out the importance of carrying out the merger's transition phase quickly in order to avoid or counter post-merger drift (i.e. the productivity drops that could happen when the merger issues are taken too much focus for too

long time). Harman and Harman (2003) argue the importance of a merger negotiation process that will provide for all parties to gain something from the merger – which in turn will require strong and creative leadership.

An example of issues that need to be taken care of quickly is providing the personnel with information about the employees' post-merger situation (Tetenbaum, 1999). A reason for directive leadership is that a well-educated personnel could be more difficult to manage – especially if the merger takes place in an organization that usually allows employees to influence what is happening (Harman & Harman 2003; Pritchard 1993; Pritchard & Williamson 2008; Weddeburn 1991).

It is important that the managers who handle the post-merger integration, understand it properly in order to make active and informed decisions (Alaranta 2008). The new managers are often not fully accepted by all parts why it is important to solve problems regarding the post-merger integration as quickly as possible. Pritchard and Williamson (2008) found that many of the respondents, in their study of a merger in higher education, considered the management style (of the new organization) to be more top-down and did not involve the staff in the process to a degree that they found was appropriate under the circumstances. Pritchard (1993:85) proposes that management in a successful merger needs to be “strongly directive (some would even say brutal!)” but also states that this should change as the new organization becomes more mature.

Harman (1993) points out the lack of continuity among the top managers as one important reason for unsuccessful mergers and exemplifies with a British merger of universities that eventually led to a break up as the new university split into separate units. Carlsson (1961) found successful administrative succession, what regards school superintendent positions, to be related to whether the successor comes from inside or outside the organization. Superintendents recruited from the outside were more interested in their careers than in the actual place of employment and were found to be more creative and innovative. Hence Carlsson (ibid.) suggests that external recruitment would be preferable if the employer wishes for change and internal recruitment if adaptation abilities are preferred. The downside of external recruitment is that those managers usually stay for a shorter period (Carlsson 1961). Collins (2001, p. 181) warns against appointing new leaders (at all) since they could cause a “doom loop pattern”, and stop an already successful “spinning flywheel” i.e. successful business/processes and steer them in another way.

Podsakoff, MacKenzie, and Bommer (1996) examine the effects of transformational leadership behaviours and found that subordinates that considered their leaders to be supportive, to foster acceptance of group goals and to provide good models trusted in their leaders more than those who found their leaders to show contrary behaviour. Moreover they (Podsakoff, MacKenzie, & Bommer 1996) found that important prerequisites for trust in the leaders are the presence of feedback, an organization with a low degree of formalization (not so many rules and regulations) and followers who are sure of their own abilities, experiences, training and knowledge.

### *Trust-Building*

Caudron (1996) discusses how to rebuild trust in organizations once it has been violated and states that it is not a task for the human resource personnel (at least not only) because it has to start with management actions. The most important issue for restoring trust is the capacity to apologize (if wrongs have been done) and honesty. People are very capable to handle bad news so there is no need for covering things up in the first place (Caudron 1996). Cullen, Johnson, and Sakano (2000) argue that building and sustaining trust and commitment in strategic alliances requires that the managers involved acknowledge that their behaviour and interactions can be signals for trust and commitment. Therefore the managers need to pay attention to what signals they send and continuously look for the other side's signals. If the intention is to build good, sustainable

relationships the recommendation is to signal emotional levels of trust and commitment instead of merely focusing on monitoring issues.

Trust is important in building alliances and Volery and Mensik (1998) argue that trust is superior when it comes to reduce uncertainty in complex situations. Cullen, Johnson, and Sakano (2000) argue that it takes times to build trust why the processes should not be forced more than absolutely necessary. In a trust building scenario there are some general benefits (fair exchange of knowledge) and vulnerabilities (e.g. inequitable transfer of tacit knowledge) that the parties need to balance in order to find the right level of trust and commitment for the strategic goals of a certain alliance.

### *Gossip, Rumours and Grapevine*

Insecurity could cause rumours and gossip to flourish and resistance to the approaching changes (Abrahamsson 2000; Empson 2000; Herron, Dean, Crane, & Falcone 1999; Smith 2005; Washington & Hacker 2005). The presence of rumours/gossip could affect how management is evaluated and judged in a change process (Kurland & Pelled 2000). However, there are not only downsides with resistance to change - Ford et al. (2008) propose that it could be seen as a resource instead of an obstacle. Zmud and Cox (1979) found trust among participants to be a very important factor for achieving a successful implementation process of IS. The less formal, the less focused on efficiency and the less hierarchical an organization is the more likely it is that the managers will show trustworthy behaviour (Whitener, Brodt, Korsgaard, & Werner 1998). Shrivastava (2007) found that post-merger issues should be given to managers in charge after the merger already in the pre-merger phases.

Michelson and Mouly (2002) consider more research on rumours and gossip in organizations to be necessary and state that there are differences between rumours and gossip - gossip is described as more private, has often some factuality surrounding it and occurs between people who trust each other while rumours are more public and less substantiated. Mishra (1990) defines grapevine as an informal communication in an organization of rumours, gossip or unsanctioned, undocumented information. Information that is not documented can easily be altered and interpreted during its flow in the informal networks of the organization - according to Mishra (1990: 216) "while the grapevine generally carries the truth it seldom carries the whole truth". In this paper rumours, gossip and grapevine are used as synonyms.

DiFonzo and Bordia (2000) argue that harmful rumours are common during organizational changes. Harman and Harman (2003) found the mongering of rumours to be very common in a merger since the employees often are anxious and suspicious of the changes. This is one of the strongest reasons for merging as quickly as possible after the decision to merge is made. Delays and a long time passing after a decision often build more worries and resistance (Harman & Harman 2003).

Noon and Delbridge (1993) found gossip to be deeply connected to organizational life and therefore deserves far more attention than it has got; gossip is a way of protecting and maintaining an organization. Noon and Delbridge (1993:32) question the understanding of gossip as a "waste of time, and therefore the 'theft' of the organization's money" which requires leaders to use punishment to eliminate the gossip - as if that could be an option anyway. Gossip is a means to communicate for example moral, traditions and could also strengthen relations and help individuals to understand how to accomplish their duties at best - so, it is not necessarily destructive (Noon & Delbridge 1993). Kurland and Pelled (2000) continued on the work from Noon and Delbridge (1993) and propose a framework for the phenomenon of gossip in the workplace and of its consequences. Mishra (1990) found that rumours often emerge when there is a lack of information - that is why the grapevine is livelier in times of uncertainty. Schweiger and Weber (1989) recommend good communication, even when there is nothing specific to inform about, in order to avoid rumours.

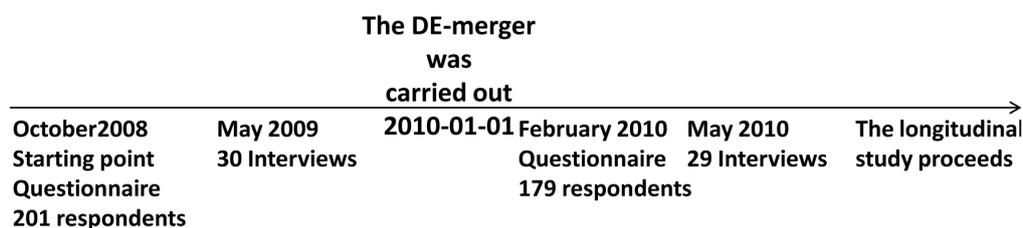
In the literature there are some suggestions on how the managers should act on gossip. To deal as effectively as possible with rumours, gossip and grapevine is an important part of a manager’s job – in order to not let it harm the organization (Mishra 1990). It is fundamental to confess to the fact that rumours exist and that cannot be totally wiped out. According to Mishra (ibid.) managers have three principal choices of acting – first, ignore it; second, participate if it seems purposeful and third, be an active participant. DiFonzo and Bordia (2000) found that strategies for preventing and/or neutralizing rumours were moderately effective and their key proposal was to foster organizational trust. If there is a lack of trust it would be easier for negative rumours to be found trustworthy.

## Methodology of Research

### *General Background of Research*

The DE-merger was carried through as a politically promoted voluntary merger between two universities. The DE-merger moved quickly from decision to practical work and implementation in about one year after the merger. This was supported by the government (even if the prospect of a merger had been on the agenda for quite some time in different settings). The universities that were studied (Org D and Org E) are anonymous and their names pseudonyms out of consideration for the respondents. Org D and Org E employed about 2 000 people, which has not changed markedly after the merger. Public sector merger do not have only financial motives and could stem from a political wish (Choi & Brommels 2009; Saarimaa & Tukiainen 2010) which was the case with the DE-merger. Our longitudinal case-study (Lundqvist 2009, 2010a, 2010b, 2010c, 2011a, 2011b) follows the merger from the administrators’ point of view. This perspective was chosen since the administrators’ work and performance are essential parts of an organization’s performance (Simon 1971). Administrators form the backbone of any organization since their performance is fundamental for its success. Sometimes *administrator* is an executive assignment, someone who is in a leading position in an organization. However, in this paper we focus on personnel belonging to the administrative staff – some of them could be managers but the majority is not. We are studying their perceptions and opinions of the process, the information systems (IS), the routines and the job situation (Lundqvist 2009, 2010a, 2010b, 2010c). Furthermore, the administrators’ opinions about their management are studied.

The empirical study for this paper was carried out about five months after the merger was carried out and follows up on three earlier realized studies (Figure 1).

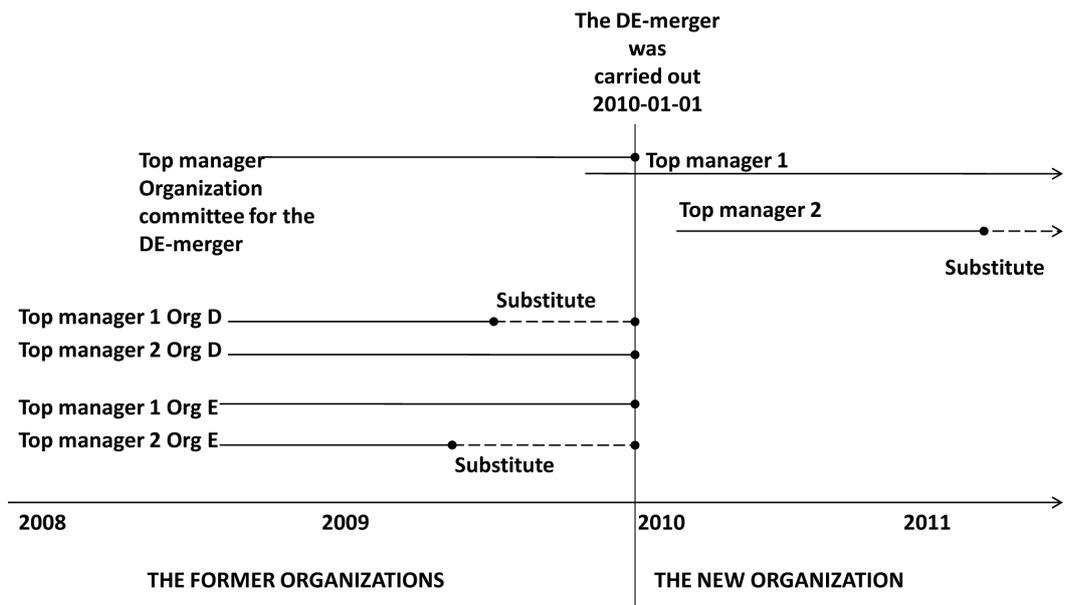


**Figure 1: The timeline of the ongoing case-study (Lundqvist 2011a).**

Related findings from the current study were reported in an earlier issue of this journal (Lundqvist 2011a). The DE-merger was in an early post-merger integration stage while the current study was carried out. The departments of University DE are located in two campuses (at a distance of about 100 km). The administrators must travel between the two campuses in order to co-operate with the colleagues at “the other side” if they do not apply other ways

of connecting (e.g. e-meeting/computer-supported cooperative work, CSCW, facilities). The managers should be present at both campuses in turn in order to be equally available for all their subordinates. The administrators' assignments cover a variety of duties in the spheres of finance, personnel administration and production planning.

Document reading showed that the new top managers were appointed very late in the merger process and that there had been many substitutes throughout the DE-merger (Figure 2). An organization committee was appointed to steer the merger processes. The former top managers did not continue their employment after the DE-merger was carried out. Still, they were highly involved in the decision making during the process and those decisions likely influenced the merger implementation – at least in its earliest phases. The new top managers that were appointed had not been working in any of the former organizations. The late change in top management was a reason for the lack of specific information, about what would happen with the administrators' jobs after the merger (as pointed out in some of the interviews). The argument was that many administrative decisions regarding the new organization (University DE) were likely to have been postponed due to the shift of top management. The fact that the DE-merger was carried out as a voluntary merger (nevertheless politically promoted) was a better starting point than if either of the parties had been against the prospect of the merger.



**Figure 2: The new top managers were not part of any of the former organizations prior to the DE-merger.**

Prior findings from the longitudinal case-study, carried out before the merger was realized, revealed that the administrators were enthusiastic, and even thrilled, about the approaching merger between the organizations and they were convinced of their skills and competences to master their IS and routines as well as of their ability to adapt to changes. They were also looking forward to reengineering of their work (i.e. the processes they need to carry out in order to fulfil their duties) and happy with the overall information they received about the merger, even though some of them lacked individual information about their work situation after the merger. Furthermore, they thought that their competence was well utilized for the merger processes and that their achievements contribute value to their organization. (Lundqvist 2009, 2010b, 2010c, 2011b)

Findings from studies after the DE-merger had been carried out showed some disappointment about the changes since a majority found that the managers in charge of the

changes should have continued the change process made possible by the merger (Lundqvist 2011a, 2011b). Nevertheless, there were opinions about changes to IS and routines that complicated their work and they experienced less flexibility, less productivity, higher fragmentation of the workday and less involvement (Lundqvist 2011a).

### *Sample of Research*

The methodology for the longitudinal single-case study follows Yin (2003) and combines qualitative and quantitative methods with reading of planning documents in order to triangulate the findings. The case studied gives an opportunity to a holistic in-depth- understanding of real-life events (Yin 2003). Gummesson (2001) highlights the fact that interviewees are not always reliable, since they sometimes act in a way they find suitable according to the actual situation. Thång (1984) argues that the interviewees are trying to understand what the interviewer is searching for during the interview. Hence the author was careful not to reveal any expectations about the issues that were raised.

In the autumn of 2008 the administrators' participation was solicited by top managers – as Bell proposes (2006). The respondents from the first study in 2008 were asked to participate in follow-up interviews and thirty administrators were interviewed in the first interview round (the second study, Figure 1) in the spring of 2009. The same individuals were asked to participate in a follow-up interview after a year (the current study) when the DE-merger was realized; everyone except one (going on a leave) accepted. In other words - the same sample was used again in order to satisfy the longitudinal aspect of the study – but this time twenty-nine from the original sample participated.

### *The Profile of the Interviewees*

The interviewees were 55 % female and 45 % male. Before the DE-merger 55 % of the interviewees was employed in Org E and 45 % in Org D; 62 % belonged to either one of the age groups 41 – 50 years and 51 – 60 years. 72 % had the same duties to perform – nevertheless and 86 % said that they had got new routines. A majority, 86 %, had not changed their place of work after the merger was carried out.

### *Instrument and Procedures*

Interviews with 29 administrators were used for the data collection; each interview lasted about 40 minutes in average. The author was careful to make sure that the interviewees experienced the follow-up interview as an event characterized by confidence and security so they could relax and participate without fearing that anyone would connect them to the research about the DE-merger. They were promised confidentiality (Bell 2006), which many of them regarded as highly important. They could choose the location but only a few wanted to carry out the interview in another location than their ordinary workplace. The interview questions were semi-structured and open-ended and the interviews recorded and literally transcribed. The transcripts were compared to the recordings to assure that there were no contradictions. Kvale (2006) argues that transcriptions are not 100 percent reliable and Gummesson (2001) found interviewees, who are not fully trustworthy since they act and answer in a way that they think suits the current situation. Thång (1984) agrees with Gummesson (ibid.) that interviewees often adapt their answers to what they believe the researcher searches for. Therefore the author was exceptionally careful not to reveal her own opinion and preferences. The interviews were finished with a summary of the findings from the previous interview (about a year earlier) and none

of the interviewees had a conflicting opinion about what was said then. By that procedure the author was confident that the material can readily be used for further analysis and processing.

### *Data Analysis*

The author analysed the transcribed interviews in a stepwise procedure and went through the transcripts repeatedly whilst searching for themes with the aim of the study kept clearly in mind. The search for themes was an interpretive process, in which the data was categorized; core meanings were found and grouped so that all issues that were discussed were noted. This process was inspired by Burnard's (1991; 1996) method of thematic content analysis for analysing qualitative interview data in a stage-by-stage process. The transcripts were read several times and the author started with several categories and sub-categories, which throughout the process were collapsed into broader themes/categories. Coloured pencils were used to mark the transcripts during the search for data that could be categorized into themes. The colour-coded data were then copied and pasted so all items of each colour code was collected together under the themes that had arisen. Burnard (1991) warns against cutting out strings of words so that the meaning of what had been said could get lost. The author was therefore careful to make sure that the context was maintained as recommended (Burnard 1991) and kept track of which interviewee the cut out items came from. This was important for the opportunity to go back to the "right" transcript and get the complete text to quote if needed but also to check if something was not clear while the categories/themes were re-considered. The emerged themes/categories discussed in this paper are: leadership style, trust and rumours/gossip/hearsay. The detailed description of the process is used to show that care was taken to avoid subjective interpretations.

### **Results of Research**

#### *A More Authoritative Leadership Style after the Merger*

The interviews revealed that there was a firmer and more authoritative leadership style applied after the merger – when the new top managers were appointed. There were both positive and negative opinions about the changed management style. The administrators in the DE-merger are well-educated and a clear majority has an academic education. The administrators showed high confidence in their knowledge and competences and were sure that they easily could adapt to new IS and changed routines (Lundqvist 2009). Nevertheless, after the DE-merger some found the new top management to neglect their competence and knowledge since they were not invited to participate in the PMI change processes and their opinions did not seem to matter any longer. Now routines appeared to be decided above the administrators' heads. The administrators believe that they are the most competent ones when it comes to their own assignments and therefore they considered that they should have their saying about the administrative routines.

It is obvious that the hierarchy has increased which is not what I had expected. Hence I believe that much competence is lost since they are rushing off without listening to those who works with certain tasks, which I find peculiar. I am sometimes very sceptical (Interviewee 20).

There were also opinions, in minority though; that the management of the new organization is too weak and that problems "fall between chairs": *There has also been a vacuum regarding some issues due to the lack of decisions* (Interviewee 25); *we have a rather bad management – it is too much of an anything-goes attitude. There is no distinct guidance of the work* (Interviewee 20). Furthermore there were examples of less flexibility due to the increased

number of employees and activities that should be carried out at two locations: *Now there has to be more long-term planning and one has to consider that there are a lot more people involved. Sometimes this fails* (Interviewee 13).

Another issue that came up was that the new top management did not always continue prior work that the former management had started. In the merger process many groups worked on various projects and some of those involved several people for many months. In some cases the managers in charge of the merger had given their approval to proposals that the projects had delivered and the new leaders did not follow up on the results. Instead they took totally new turns and made other decisions than the former top managers had made:

We had a situation where we had a plan and provided that it had been carried out things would have been in order. /.../ During the autumn (and we started over a year ago) we worked with a proposal for a new structure. No decisions were taken but the former managers found it to be very good. We worked together Org D and Org E and had a tangible proposal but we have not heard anything since the merger – it is just gone and nothing else has been proposed instead (Interviewee 22).

#### *More Hierarchical Levels after the Merger and a Loss of Trust*

After the DE-merger the management had been somewhat invisible to the administrators and therefore they found it difficult to see where the organization was heading: *There will be changes but when? I do not know, there will be studies - I believe that these events take place high over one's head* (Interviewee 26). Those kinds of opinions were also related to what was regarded as management neglect when it came to acknowledging the personnel: *Then we knew nothing, no meetings, no information. It was like they had forgotten us and yet we are supposed to work here* (Interviewee 18);

... ah, those are the small administrators they are not worth anything and we can decide whatever we find suitable regarding them. I think it is so sad because many administrators have academic education – it is not anyone that can be an administrator /.../ Then I feel I am depreciated by the top managers but not by the manager at my own department (Interviewee 9).

The administrators found that there was a shift in power and that the power moved to a higher management level:

The power has been kicked up a level as concerns decisions. A departmental manager cannot always decide, instead the question has to be moved to a higher manager and sometimes even to the highest manager – and this concerns issues that earlier were decided by the departmental manager (Interviewee 7).

A more bureaucratic organization emerged but not the modern organization that many had expected:

Well, this modern organization... – actually, it is not that very modern nor is the management style modern - in fact, quite the opposite – it is rather dated. I feel disappointed because it did not turn out to be that modern an organization – it was more of a package with the intention of appearing to be modern (Interviewee 26).

The overall opinion was that it now took more time to get in contact with people due to the watertight bulkheads between people and departments. Some examples: *Before the merger it was closer between the words and the deeds* (Interviewee 3); *before the merger it was nearer*

*to the highest managers and there was always a channel, from which it was possible, to get in contact with the top manager. This feels different now* (Interviewee 17).

### *Spreading of Rumours*

The new top managers were not from either of the former organizations and there were opinions about how their lack of organizational history affected their performance. The argument was that they have less understanding of the organizational context, which is important for the ongoing implementation process. The former top managers that were leading the DE-merger, until it was carried out, did not stay in the new organization. There was a lack of continuity as information was poorly communicated from the former to the new managers:

Well, I did not think that the fact that we got new persons in the top management should have an influence but it has. /.../ an organization carries its history and sometimes it seem to be very little understanding for that and that makes it hard for us who work at the root – the grassroots, I actually believe so (Interviewee 17).

The new managers were perceived as less visible and present compared to the former managers – this was partly caused by the travelling and that the University DE was split between two locations:

The problem during the autumn was that there was one organization with managers in charge of the merger that took some decisions – but those that should be responsible for the new organization later on – they were not available then. It was like one organization taking some overall decisions /.../ it was the late appointments of the new managers in general and that made it difficult because it has to be people in charge with responsibilities. I felt that there was quite another thing later on when the new managers were at their posts (Interviewee 25).

During most of the interviews the new management was mentioned - mostly with negative comments – and the differences between the two locations were also raised. Often those statements appeared to come from hearsay. The interviewees could say: “I heard that...”; “Some say that...”; “I know a person that...” etc. Even opinions about the degree of truth in a rumour could origin from hearsay: *The personnel are not standing behind the new management - I have heard from the central administration that this is the truth* (Interviewee 9).

The talk about differences at the two sites expressed some degree of unfairness: *It is much chatter and comparing between the locations - for example in Org D the personnel with time-limited employments have got permanent employments to a greater extent than in Org E* (Interviewee 19).

Positive expressions regarding the former top managers were sometimes simultaneous to the negative talk about the new management: *Now it is more difficult to get in contact with the new leaders – it was easier before* (Person 26). However, this was not always the case - there were also opinions that the new management is more positive towards necessary changes:

It is obvious that the new management is more into changes/.../and have taken more decisions in the areas that concerns my field of work than the other management was inclined to do /.../ There was a huge difficulty in readjusting and the former management did perhaps not understand the complexity of the merger and how complicated the process was (Interviewee 12).

Some opinions dealt with the late appointments of the new leaders: *Issues and decisions were lost. The new management should have been needed at their posts during the autumn* (Interviewee 25). Some speculation flourished about one of the former top managers, who was

expected to apply for the top manager's post and some feared that some eligible candidates did not apply because they believed that the job was already informally taken: *...all those that did not care to apply they had it in the back of their head that the post is set aside for one of the former managers* (Interviewee 5). In the DE-merger the new top managers were recruited externally and one of them left the job within a year.

There were interviewees, who related the spreading of gossip to the fact that there had been less involvement in the process and less communication after the merger: *When questions do not get an answer people will speculate instead* (Interviewee 23).

## Discussion

The longitudinal case study has now entered the post-merger stage and the present findings are discussed in the context of prior findings. These have shown administrators who were well-prepared for changes, well-informed, open-minded to a reengineering of their duties and deeply involved in the process in which their knowledge was made use of. (Lundqvist 2009, 2010a, 2010b, 2010c, 2011a, 2011b).

### *A More Directive Leadership Style*

In the literature it is sometimes argued that the management style needs to be firm (or even brutal) and directive in a merger (e.g. Harman & Harman 2005; Pritchard 1993; Pritchard & Williamson 2008; Schoole 2005; Wedderburn 1991). The findings from the current study showed that the administrators considered that top management decisions were taken without discussing with those that were deeply involved in the questions. Some argue that it is especially purposeful with strong leadership in a merger between equals where no one usually wants to give in to the other part (Pritchard 1993; Pritchard & Williamson 2008) and that without directive leadership deadlocks emerge because of extensive compromising. Some of the interviewees found that the new managers changed decisions and strategic positions. The new top management stopped ongoing IS projects without considering proposals (according to the interviewees' opinions) from the project groups that had developed new routines and IS solutions to fit the new University DE.

### *A More Hierarchical Organization and a Loss of Trust for the New Management*

There are some findings that together point to a more hierarchical organization. The administrators are uncertain of what is going on in the new organization since they are not as involved in the processes as before the merger. Besides, they do not find their competence as acknowledged and appreciated as before and their opinions are not as important as before the merger. Several comments describe how various issues were decided over their heads and how managers did not share information about decisions, which furthermore often were delayed or postponed. Administrators find that it is harder to get in contact with the top management and to get hold of the decision makers. It is also more difficult to get answers about their own assignments and employment.

In organizational changes (like mergers) managers should be aware of what response their actions get from their personnel and should also be eager to let their own actions be good examples (e.g. Cooper & Markus 1995); this is not the picture the interviewees give of the new top management. Cullen, Johnson, and Sakano (2000) also recommend managers in strategic alliances to be aware of what signals they send out for trust and commitment and also to keep an eye on the other actors' signals. To focus on emotional manifestations of trust and commitment is a better base for a deep, sustainable relationship than to focus on steering and monitoring (e.g. Alaranta & Viljanen 2004; Cartwright & Cooper 1995).

Several administrators compared the new organization with the former organizations and found that it was better before the DE-merger. Insecurity is known as a ground for resistance to change for various negative employee reactions and could often cause rumours to get started (Abrahamsson 2000; Empson 2000; Herron, Dean, Crane, & Falcone 1999; Smith 2005; Washington & Hacker 2005). Hence a trustful relation between the administrators and their top management should be helpful if the recommendations in the literature would be followed (e.g. Alaranta 2008; Cartwright & Cooper 1995; Marks & Mirvis 1992; Zmud & Cox 1979). Podsakoff, MacKenzie, and Bommer (1996) propose that a transformational leadership should build on trust that is formed by leaders who are supportive and provide feedback. It served the post-merger integration badly that the administrators perceived their new leaders to take less interest in their opinions.

According to Podsakoff, MacKenzie, and Bommer (1996) employees who are confident of their knowledge and who feel that the organization is less formal usually trust their management to a higher extent. Whitener et al. (1998) suggest that a less hierarchical organization is facilitating for behaviour that builds on trust. There was a promising starting point for the post-merger phase as the administrators were confident of their skills and knowledge and looked forward to the organizational change with confidence and enthusiasm (Lundqvist 2009, 2010a, 2010b, 2010c). This good starting point did not seem to be built on in the new organization.

#### *A Loss of Trust Could Cause Uncertainty and the Organizational Grapevine to Flourish*

According to Mishra (1990) rumours often emerge when there is a lack of information – that is why the grapevine is livelier in times of uncertainty. Schweiger and Weber (1989) recommend good communication, even when there is nothing specific to inform about, in order to avoid rumours and gossip. Kurland and Pelled (2000) argue that rumours and gossip could influence how the managers are looked upon in a change process. Before the DE-merger the administrators were very satisfied with the information they received even though many lacked individual information about their work situation after the merger. The information was provided through several channels and on a frequent basis. The administrators were also updated even when there was nothing new to tell or when the information had a negative content. (Lundqvist 2009, 2010b, 2011a) The missing information was discussed among the administrators even though they were satisfied with the overall information and communication (Lundqvist 2010c).

After the DE-merger was carried out the administrators were less satisfied with the information/communication (2011a, 2011b), which activated the organizational grapevine. The fact that gossip and rumours appears is an important indication of unsatisfactory experiences from the interviewees' point of view and need to be taken seriously. The organizational grapevine discussed that the new top management lacks confidence in the administrators' knowledge and skills. The new top managers' lack of organizational history was also mentioned as a problem for gaining mutual trust. Michelson and Mouly (2002) consider that more research is needed on the subject rumours/gossip. Rumours and gossip are often used in order to deal with things that people experience as disagreeable or problematic in some way (DiFonzo & Bordia 2000; Harman & Harman 2003; Mishra 1990; Noon & Delbridge 1993). Furthermore, it is recommended in the literature that management actively takes part in a merger (e.g. Blake & Mouton 1984; Bradt 2008; DiFonzo & Bordia 2000; Epstein 2004; Lewis, Romanaggi, & Chapple 2010).

Noon and Delbridge (1993) argue that gossip could be used as means for protecting and maintaining an organization as it is instead of changing it – which could be a manifestation of resistance to change. Gossip is an important part of organizational life in which it could strengthen relations and help the employees to cope with changes. Kurland and Pelled (2000) agree that important informal information could be distributed through rumours/gossip (Mishra

1990; Schweiger & Weber 1989), which could be the case for University DE with campuses divided on two locations.

### *Late Appointment of the New Managers*

The findings that show a loss of trust in management, and especially in the top management, show that the late appointment of new managers/management is a main reason. Advice in the literature recommends that managers should be involved throughout the merger processes, so that they can actively take part in the decision making and the planning for the PMI (e.g. Alaranta 2008; Epstein 2004; Calipha, Tarba, & Brock 2010; Olie 1994). The trust in management is often stressed as an important factor for carrying out organizational changes (like mergers and PMIs) (e.g. Zmud & Cox 1979) but the findings from the interviews show a more hierarchical organization and less trust – especially in the top management, which is problematic for the new organization. Cudron (1996) argues the importance of management actions when it comes to rebuilding trust that has been violated. However, Podsakoff, MacKenzie, and Bommer (1996) propose that trust in the leaders is more easily achieved if the followers are sure of their own competence, which is that case with the administrators in the DE-merger (e.g. Lundqvist 2009). Some of the interviewees described that they felt depreciated and ignored; it would be interesting to follow-up on how the managers can or try to rebuild trust.

Harman (1993) argues that a lack of continuity among top managers is a reason for unsuccessful PMI. Hence the management situation throughout the DE-merger was an obstacle for achieving successful PMI – not least that the new top managers were externally recruited very late in the merger process, which led missed opportunities for trust-building. Some successfully ongoing projects were stopped or ignored after the DE-merger was carried out. Alaranta (2008) and Shrivastava (2007) emphasize the advantage that managers are involved, already in the pre-merger phases, in the decision making of various issues that they will be responsible for after the merger is realized.

In the DE-merger the top management and several other managers were appointed very late in the merger process. Hence the advice in the literature to involve the managers throughout the merger processes was difficult (read: almost impossible) to follow. If decisions are postponed or delayed and if the information is insufficient by some reason it is even more important that the managers signal that they are trustworthy and that they notice the administrators' signals – whichever they might be.

## **Conclusions**

This section provides the answers to the research questions that appeared from the interview analysis and the discussion in the context of prior findings from the longitudinal case-study and the literature findings. Furthermore implications of the findings are outlined, limitations of the study are discussed and future research is suggested.

### *Is the Leadership Style a Critical Factor for a Successful PMI?*

It is a widespread opinion among the administrators that the hierarchy now has more layers and that it is harder to get in contact with the managers of the University DE. There has been a concentration of power to the upper management levels. The findings point to that the leadership style matters. This could be problematic since a PMI per se usually requires a more directive leadership style, which is likely to be harder to accept if the managers have not had the sufficient time for trust-building. This is combined with a more directive and authoritative leadership style that has not met with approval among the administrators; when this is combined with a lack of trust PMI will be problematic.

### *Are Trust Related Issues Critical for a Successful PMI?*

The findings show a loss of trust in the management after the merger. Top management is not as accessible as before and has adopted a more authoritative leadership style, which the administrators are not familiar with. The new top managers were externally recruited (and appointed late) and their lack of organizational history may hinder the building of trust. If there is no trust and not sufficient information the uncertainty could lead to even less trust (if the rumours are not properly handled by the managers). The findings point to a loss of trust in management and a need to rebuild the trust for a proper PMI to take place.

### *Are Gossip and Rumours Hindering a Successful PMI?*

The findings show that gossip, rumours and a flourishing grapevine is partly a consequence of uncertainty due to a lack of continuity among top managers, partly a reaction to the more hierarchical structure and the more authoritative leadership style that are unfamiliar to the administrators. Hence gossip and rumours could contribute to a less successful PMI.

### *The Main Conclusion*

The main problem seems to be the lack of continuity; the new management was not involved in the processes throughout the merger – which is important for actively taking part in the decision making, in the pre-merger planning for the PMI and in the trust building. Hence the findings indicate that an early appointment of managers could facilitate the PMI because it would provide better opportunities for trust-building and decision-making.

The main conclusion from the study is that the late appointment of managers, especially the top managers, will cause uncertainty in a merger process. When it is combined with a lack of trust in management and with the wrong type of leadership the PMI will be hard or impossible to carry out.

### *Implications of the Study*

The implication for practice is that the managers should be appointed in good time before or during the merger to get a realistic opportunity to influence the merger processes. The implication for research is that a successful PMI is more likely if the new management/new managers are available throughout the merger processes and will have an active part in decision-making and trust-building; the form for this will require further study.

### *Limitations with Case-Study Research*

In a longitudinal single case-study (Yin 2003) it is necessary to be careful with generalizations of the findings. Bassegy (1981) found that generalisation is possible even from single events, but Gummesson (2001, p. 85-86) argues that too much weight is given to generalization:

“As long as you keep searching for new knowledge and do not believe that you have found the ultimate truth – rather the best available for the moment – the traditional demand for generalization becomes less urgent.”

In this paper the context is described and information about the “business area” is provided (even if the real names of the parties are not revealed) which would enhance the possibilities for other organizations to use the findings from this longitudinal case-study.

### *Proposal for Future Research*

To achieve a full integration after a merger takes its time (Pritchard & Williamson 2008) and therefore this longitudinal case study needs to continue. The present study was carried out only five months after the merger, which is why follow-up studies are needed to follow how PMI succeeds. As the late appointment of top management was an issue, further research should focus on how the recruiting and the appointment of new managers should be carried out in a merger.

Another issue to study is the rebuilding of trust which may be a challenging process. A follow-up study of the insecurity the administrators showed could outline what actions the managers need to take to facilitate PMIs – or what actions to avoid.

### **Acknowledgements**

The author would like to thank Professor Christer Carlsson, IAMSR, Åbo Akademi University, Finland for very useful and insightful comments on this paper and Dr Leif Marcusson, Linneaus University, Sweden for many rewarding discussions throughout the longitudinal case-study. The author appreciates the anonymous reviewer's valuable comments and suggestions on an earlier version of this paper.

### **References**

- Abrahamson, E. (2000). Change without pain. *Harvard Business Review*, 78 (4), 75-79.
- Alaranta, M. (2008). "This has been quite some chaos." *Integrating information systems after a merger – a case study*, doctoral thesis, Turku School of Economics, Series A-1:2008.
- Alaranta, M., & Viljanen, M. (2004). Integrating the IS personnel after a merger. *Proceedings of the 12th European Conference on Information Systems*. Finland: Turku.
- Alaranta, M., & Martela, E. (2010). Overcoming the knowledge gaps in post-merger integration – a case study on merging corrective software maintenance processes. In: *Proceedings of the 33rd IRIS Seminar 2010*. Denmark: Rebild. H. W. Nicolajsen, J. Persson, L. Heeager, G. Tjørnehøj, K. Kautz, P. A. Nielsen (eds).
- Bassey, M. (1981). Pedagogic Research: on the relative merits of search for generalisation and study of single events. *Oxford Review of Education*, 7 (1), 73-94.
- Bell, J. (2006). *Introduktion till forskningsmetodik*. Lund: Studentlitteratur.
- Blake, R. R., & Mouton, J. S. (1984). *How to Achieve Integration on the Human Side of the Merger in Solving Costly Organizational Conflicts: Achieving Intergroup Trust, Cooperation and Teamwork*. San Francisco: Jossey-Bass Inc., Publishers.
- Bradt, G. (2008). We've merged or reorganized. Now what? *Supervision*, 69 (2), 16-18.
- Bringselius, L. (2008). *Personnel resistance in public professional service mergers: The merging of two national audit organizations*. Lund: Lund Institute of Economic Research.
- Bringselius, L. (2010). Resistance to change in public sector mergers. *Nordiske Organisasjonsstudier*, 04, 30-51.
- Burnard, P. (1991). A method of analysing interview transcripts in qualitative research. *Nurse Education Today*, 11, 461-466.
- Burnard, P. (1996). Teaching the analysis of textual data: an experiential approach. *Nurse Education Today*, 16, 278-281.
- Calipha, R., Tarba, S., & Brock D. (2010). *Mergers and acquisitions: A review of phases, motives, and success factors*. In: *Advances in Mergers and Acquisitions*, S. Finkelstein and C.L. Cooper (eds). Vol. 9, p. 1-24.

- Carlson, R. O. (1961). Succession and Performance among School Superintendents. *Administrative Science Quarterly*, 6 (2), 210-227.
- Cartwright, S., & Cooper, C. L. (1995). Organizational marriage: "hard" versus "soft" issues. *Personnel Review*, 24 (3), 32-42.
- Collins, J. (2001). *Good to GREAT*. New York: Harper-Collins, Publishers Inc.
- Cooper, R., & Markus, M. L. (1995). Human Reengineering. *Sloan Management Review*, 36 (4), 39-50.
- Coudron, S. (1996). Rebuilding Employee Trust. *Training & Development*, 50 (8), 18-21.
- Cullen, J. B., Johnson, J. L., & Sakano, T. (2000). Success through Commitment and Trust: The Soft Side of Strategic Alliance Management. *Journal of World Business*, 35 (3), 223-240.
- DiFonzo, N., & Bordia, P. (2000). How Top PR Professionals Handle Hearsay: Corporate Rumours, Their Effects, and Strategies to Manage Them. *Public Relations Review*, 26 (2), 173-190.
- Empson, L. (2000). Merging professional service firms. *Business Strategy Review*, 11 (2), 39-46.
- Epstein, M. J. (2004). The drivers of success in post-merger integration. *Organizational Dynamics*, 33 (2), 174-189.
- Ford, J. D., & Ford, L. W. (2009). Managing Yourself: Decoding Resistance to Change. *Harvard Business Review*, 87 (4), 99-104.
- Ford, J. D., Ford, L. W., & D'Amelio, A. (2008). Resistance to change: The rest of the story. *Academy of Management Review*, 33 (2), 362-377.
- Gummesson, E. (1999). *Qualitative methods in management research*, USA: Sage Publications.
- Harman, G. (1993). A Merger that Failed: The case of the University of New England. *Higher Education Quarterly*, 47 (2), 120-141.
- Harman, G., & Harman, K. (2003): Institutional mergers in higher education: Lessons from international experience. *Tertiary Education and Management*, 9 (1), 29-44.
- Herron, H., Dean, B., Crane R., & Falcone, R. E. (1999). Air Medical Program Merger and Stress. *Air Medical Journal*, 18 (1), 16-19.
- Institute for Government (2010). *Managing merger of public bodies, Managing at arm's length*, Guidance Note 4, available: <http://www.instituteforgovernment.org.uk/pdfs/mergersdocx.pdf> (2012-01-25; 16:05).
- Kurland, N. B., & Pelled, L. H. (2000). Passing the word: Toward a model of gossip and power in the workplace. *Academy of Management Review*, 25 (2), 428-438.
- Kvale, S. (2006). *Den kvalitativa forskningsintervjun*, Lund: Studentlitteratur.
- Lewis, E., Romanaggi, D., & Chapple, A. (2010). Successfully managing change during uncertain times. *Strategic HR Review*, 9 (2), 12-18.
- Locke, W. (2007). Higher Education Mergers: Integrating Organisational Cultures and Developing Appropriate Management Styles. *Higher Education Quarterly*, 61 (1), 83-102.
- Lundqvist, S. (2009). The Role of Information Systems in an Organisational Merger. In: *Proceedings of the 32nd Information Systems Research Seminar in Scandinavia, IRIS32, Inclusive Design*, 2009. Norway: Molde University College. J. Molka-Danielsen, (Ed.).
- Lundqvist, S. (2010a). Well-Functioning IS are Important for the Administrators' Effectiveness - and by that for the Organization as a Whole. *Research report 1/2010, Institute for Advanced Management Systems Research (IAMSR)*. Finland: Åbo Akademi University.
- Lundqvist, S. (2010b). In a Merger: A Lack of Information about IS and the Job Situation. In: *Proceedings of the 33rd IRIS Seminar 2010*. Denmark: Rebild. H. W. Nicolajsen, J. Persson, L. Heeager, G. Tjørnehøj, K. Kautz, P. A. Nielsen (eds).
- Lundqvist, S. (2010c). In a Merger: Administrators are Open-Minded to Reengineering of their Assignments. *Research report 2/2010, Institute for Advanced Management Systems Research (IAMSR)*, Finland: Åbo Akademi University.
- Lundqvist, S. (2011a). Post-Merger Integration Issues: A Longitudinal Public Sector Case-Study. *Problems of Management in the 21st Century*, 1 (1), 86-07.

- Lundqvist, S. (2011b). A Perspective of Post-Merger Integration: Employees Do Not Necessarily Resist Changes. In J. Molka-Danielsen and K. K. Kimppa, (eds.): *Selected papers of the 34th Information Systems Research Seminar in Scandinavia*, IRIS 34, Åbo, Finland, August 16 – 19, Tapir.
- Marks, L. M., & Cutcliffe, J. G. (1988). Making Mergers Work. *Training and Development Journal*, 42 (4), 30-36.
- Marks, M. L., & Mirvis, P. H. (1992). Rebuilding after the Merger: Dealing with “Survivor Sickness”. *Organizational Dynamics*, 21 (2), 18-32.
- Meglio, O., & Risberg, A. (2010). Mergers and acquisitions – Time for a methodological rejuvenation of the field? *Scandinavian Journal of Management*, 26, 87-95.
- Michelman, P. (2007). Overcoming resistance to change. *Harvard Management Update*, 12 (7), 3-5.
- Michelson, G., & Mouly, V. S. (2002). ‘You Didn’t Hear it From Us But...’ Towards an Understanding of Rumour and Gossip in Organisations. *Australian Journal of Management*, 27 (Special Issue), 57-65.
- Mishra, J. (1990). Managing the grapewine. *Public Personnel Management*, 19 (2), 213-228.
- Noon, M., & Delbridge, R. (1993). News From behind My Hand: Gossip in Organizations. *Organization Studies*, 14 (1), 23-36.
- Olie, R. (1994). Shades of Culture and Institutions in International Mergers. *Organization Studies*, 15 (3), 381-405.
- Podsakoff, P. M., MacKenzie, S. B., & Bommer, W. B. (1996). Transformational Leader Behaviors and Substitutes for Leadership as Determinants of Employee Satisfaction, Commitment, Trust, and Organizational Citizenship Behaviors. *Journal of Management*, 22 (2), 259-298.
- Pritchard, R. M. O. (1993). Mergers and Linkages in British Higher Education. *Higher Education Quarterly*, 47 (2), 79-102.
- Pritchard, R. M. O., & Williamson, A. P. (2008). Long-term Human Outcomes of a “Shotgun” Marriage in Higher Education: Anatomy of a Merger, Two Decades Later. *Higher Education Management and Policy*, 20 (1), 1-23.
- Shrivastava, P. (2007). Postmerger integration. *The Journal of Business Strategy*, 7 (1), 65-76.
- Schweiger, D. M., & Weber, Y. (1989). Strategies for Managing Human Resources during Mergers and Acquisitions: An Empirical Investigation. *Human Resources Planning*, 12 (2), 69-87.
- Schoole, M. T. C. (2005). The politics of mergers in higher education in South Africa. *Higher Education*, 50 (1), 159-179.
- Simon, H. (1971). *Administrativt beteende*. Sweden: Prisma.
- Smith, I. (2005). Achieving readiness from organisational change. *Library Management*, 26 (6/7), 408-412.
- Strebel, P. (1996). Why Do Employees Resist Change? *Harvard Business Review*, 74 (3), 86-92.
- 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), 22-35.
- Thång, P. O. (1984). *Vuxenlärares förhållningssätt till deltagar erfarenheter*, Sweden: ACTA Universitatis Gothoburgensis.
- Volery, T., & Mensik, S. (1998). The Role of Trust in Crating Effective Alliances: A Managerial Perspective. *Journal of Business Ethics*, 17, 987-994.
- Washington, M., & Hacker, M. (2005). Why change fails: knowledge counts. *Leadership and Organization Development Journal*, 26 (5), 400-411.
- Wedderburn, D. (1991). Reflection on the Merger of Royal Holloway and Bedford Colleges 1981-85. *Higher Education Quarterly*, 45 (2), 145-157.
- Whitener, E. M., Brodt, S. E., Korsgaard, M. A., & Werner, J. M. (1998). Managers as initiators of trust: An exchange relationship framework for understanding managerial trustworthy behavior. *Academy of Management Review*, 23 (3), 513-530.

- Wijnhoven, F., Spil, T., Stegwee, R., & Tjang A Fa, R. (2006). Post-merger IT integration strategies: An IT alignment perspective. *Journal of Strategic Information Systems*, 15 (1), 5-28.
- Yin, R. K. (2003). *Case Study Research – Design and Methods*. USA: Sage Publications, Inc.
- Zmud, R. W., & Cox, J. F. (1979). The implementation process: a change approach. *MIS Quarterly*, 3 (2), 35-44.

*Advised by Christer Carlsson, Åbo Akademi University, Åbo, Finland*

Received: *January 22, 2012*

Accepted: *March 31, 2012*

**Siw Lundqvist**

MSc, Lecturer in Business Informatics, School of Business and Economics, Linneaus University, SE-391 82 Kalmar, Sweden and  
Ph.D. Student in Information Systems, IAMSR, Åbo Akademi University, Åbo, Finland.  
E-mail: [siw.lundqvist@lnu.se](mailto:siw.lundqvist@lnu.se)  
Website: <http://lnu.se>