

**Exploring the effects of mergers and acquisitions on
employee job satisfaction: A case study of Reservations
Request Inc., KwaZulu-Natal**

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of **Master of Business Administration** at Regent Business School

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Declaration

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Dedicated to: To my lovely Mom and Dad, I would not be where I am if it were not for your encouragement and great support, and we will always make you proud. To all my siblings: Juelma, Genesio, Ezequiel, Augusto, and Rosyane, I love you all, and most importantly to You, Ukana, my girlfriend, thanks for all the support throughout this journey.

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Abstract

The general purpose of this study was to gain an understanding of the relationship between organisational mergers and job satisfaction levels. The concept of job satisfaction was examined in relation to Reservations Request Inc. employees who were moved to Durban, Kwa-Zulu Natal, after the merger of the Development and Services divisions.

Variables such as age, academic qualifications, gender, type of work background and years serving at the company were examined for a possible significant relationship to employee job satisfaction. Management involvement and intervention during the merger were also examined to establish whether or not this also impacted employee job satisfaction, as well as the impact of the change management.

The data was gathered and analysed effectively by using different methods of collecting and measuring data. This was done to ensure the study's trustworthiness, validation and reliability. The results are discussed in terms of the literature presented and the findings of the study. Even though employees are satisfied as a result of the merger, it was found that there are factors such as their current pay/remuneration, the attribution of roles and responsibilities in their respective teams, and subsequently with the new roles that were formed as a result of the merger, that have lead to employees being dissatisfied.

It was therefore concluded that when a merger and/or acquisition occurs, management should not only focus on the bottom line of the organization but also pay attention to the human factors that can lead to the failure or success of the merger. Integration and intervention programmes can be used as mechanisms to maintain successful operations in a post-merger environment.

Contents

Abstract	v
List of Figures	x
List of Tables	xi
Nomenclature	xii
1 Introduction	1
1.1 Introduction	1
1.2 Background	1
1.3 Problem Statement	2
1.4 Aim of the Research	3
1.5 Research Objectives	3
1.6 Research Questions	3
1.7 Significance of the Research	4
1.8 Chapter Organisation	4
1.9 Conclusion Organisation	4
2 Literature Review	6
2.1 Introduction	6
2.2 Theoretical Foundations	6
2.3 Types of Merger and Acquisitions	7
2.3.1 Horizontal	7
2.3.2 Vertical	8
2.3.3 Congeneric	8
2.3.4 Conglomerate	8
2.4 Reasons for Mergers and Acquisition	8
2.5 Change Management as an Enabler of Mergers	9
2.5.1 Types of Organisational Changes	12
2.5.2 Change Strategies	13
2.5.3 Resistance to Change	14
2.6 Challenges of Mergers and Acquisitions	16
2.7 Impact of Mergers and Acquisitions	17

2.7.1	Management	17
2.7.2	Employee	18
2.7.3	Change Management	19
2.8	Measurement of Success of Mergers and Acquisition	19
2.8.1	Short-term Measure of Success	19
2.8.2	Long-term Measure of Success	20
2.9	Employee Satisfaction	20
2.9.1	Measure of Satisfaction	20
2.10	Conclusion	21
3	Research Methodology	22
3.1	Introduction	22
3.2	Rationale for the Methodology	22
3.3	Research Design	23
3.4	Research Philosophy	23
3.4.1	Positivist	23
3.4.2	Phenomenological	24
3.5	Research Strategy	24
3.6	Target Population	25
3.7	Sampling Strategy	25
3.8	Data Collection Instruments	26
3.9	Validity and Reliability	27
3.10	Data Analysis	28
3.11	Pilot Study	28
3.12	Administration and Collection of Questionnaires	28
3.13	Limitations of the Research	29
3.14	Elimination of Bias	30
3.15	Ethical Considerations	30
3.16	Conclusion	31
4	Results and Findings	32
4.1	Introduction	32
4.2	Response Rate	32
4.3	Demographic Characteristics of Respondents	32

CONTENTS

4.3.1	Age Rate	33
4.3.2	Gender	33
4.3.3	Nature of Work	34
4.3.4	Years of Service at the Organisation	35
4.4	Current Levels of Employee Job Satisfaction	35
4.4.1	Work Related Needs	36
4.4.2	New Roles in the Organization	36
4.4.3	Remuneration	37
4.4.4	Management/Leadership Within Your Department	37
4.4.5	Company Culture/Policies	38
4.4.6	Availability of Resources to Perform the Job	38
4.4.7	Co-worker Support	39
4.4.8	Work Responsibilities	39
4.4.9	Independence Within the Team/Department	39
4.4.10	Descriptive Statistics on Employee Job Satisfaction	40
4.5	Identification of Change Management Strategies	41
4.5.1	Strategy Identification	41
4.6	Impact of Change Management Strategies on Satisfaction Levels Rate	43
4.7	Conclusion	45
5	Conclusions and Recommendations	47
5.1	Introduction	47
5.2	Findings from the Study	47
5.2.1	Findings from the Literature Review	47
5.2.2	Findings from the Primary Research	48
5.3	Conclusions	49
5.3.1	Conclusion on the Current Levels of Job Satisfaction	49
5.3.2	Conclusion on the Assessment of the Impact of Change Management on Job Satisfaction	49
5.4	Recommendations	50
5.4.1	Recommendations for Further Studies	51
5.5	Study Conclusion	51
	References	54

A	Employee Questionnaire	55
A.1	Section 1 - Biographical Information	56
A.2	Section 2 - Satisfaction Evaluation	56
A.3	Section 3 - Change Management Strategy	57
A.4	Section 4 - Impact of Change Management	57

List of Figures

2.1	John Kotter’s 8 Step change model (Kotter (1996))	11
2.2	Areas of organisational changes (Smit <i>et al.</i> (2011))	13
4.1	Function of respondents who could identify change strategy	42

List of Tables

4.1	Independence with the team/department	32
4.2	Age distribution	33
4.3	Gender distribution	33
4.4	Academic qualifications distribution	34
4.5	Nature of work distribution	34
4.6	Years employed at the company	35
4.7	Work related needs	36
4.8	New roles in the organization	36
4.9	Remuneration	37
4.10	Leadership within the department	37
4.11	Company Culture	38
4.12	Availability of Resources	38
4.13	Co-worker Support	39
4.14	Work Responsibilities	39
4.15	Independence with the team/department	40
4.16	Descriptive statistics of employee job satisfaction	40
4.17	Strategy identification	41
4.18	Strategy description	41
4.19	When asked about being happy about the merger	43
4.20	When asked about if the merger positively impacted their jobs	43
4.21	When asked about being happy with the merger timeline	43
4.22	Impact of new policies and procedures on their job satisfaction	44
4.23	Areas affected by the change	46

Nomenclature

Acronyms

CRM	Customer Relationship Management
CRS	Central Reservation Systems
ERP	Enterprise Resource Planning
IT	Information Technology
M&A	Merger and Acquisition
MSQ	Minnesota Satisfaction Questionnaire
OTA	Online Travel Agencies
URL	Unified Resource Locator

Chapter 1

Introduction

1.1 Introduction

There have been several waves of mergers and acquisitions (M&A) that have led to substantial restructuring in different industries and in different parts of the world. These M&As have led to increased competition in the business markets, resulting in businesses needing strategies to survive or risk becoming extinct. Organizations competing to survive, need to find ways and means to optimally manage their resources to maintain or increase their market share, and since the late 1960s, the strategic business practice by which firms diversify and expand is through M&A. M&As and other forms of business combinations have desirable strategic advantages such as hedging against the competition, enhancement of market share and shareholders' value through economies of scale and economies of scope, and as a result, employees of the affected organizations involved in such processes might face several challenges during and after its implementation. This chapter provides the background to the research problem, a description of the organization by study, the research questions, and the significance of the research are described and presented to the reader.

1.2 Background

Reservations Request Inc. is a private company located in Durban, KwaZulu-Natal, South Africa, that operates in the travel and tourism industry. The company provides central reservations, channel management, property management, financial management, customer relationship management (CRM), and business analytics solutions through its enterprise resource planning (ERP) software packages to luxurious and boutique hotels across Africa, East Asia (Middle East) and Eastern Europe.

Late in 2016, with the release of the 7th major version of their ERP solution suite, the company board decided to merge their Service and development divisions to optimize and streamline their service delivery. Previously the organization had two distinguished entities, Reservations Request Services Inc. and Reservations Request Development Inc., responsible for two distinct core businesses of the company. The two business units were previously being operated as different entities and out of different physical locations. The

service enterprise was being run out of Empangeni, Eastern Cape, South Africa and their development enterprise out of Durban, KwaZulu-Natal.

Reservations Request Inc. has to keep up with the changes in tourism and travel software solutions as a niche market service provider. As pointed out by Mullins (2007), there are several forces of change. These are some of them: change in technology; change in the nature of the workforce; quality of work-life; rapid product obsolescence; knowledge explosion; (more importantly) to improve organizational competitiveness;

In this context, it is no surprise that the decision was taken by Reservations Request Inc. management to merge these two distinct enterprises, into one and bring all employees from the defunct enterprises to one common location. Thus, the staff members need to relocate from around South Africa. Those concerned ranged from managers, customer care and sales consultants, and technical and software developers.

Reservations Request Inc. needed something to remain relevant and competitive in the industry, and the decision to merge its two different corporations, in an attempt to improve their skills, knowledge and expertise. However, it is equally crucial for organizations to manage their M&As effectively. If M&As are not managed properly, they may lead to unhappy stakeholders and overall dissatisfaction among employees. Therefore, this study will examine the impact that M&A and change management have on the acceptance of cultural, situational, and changes of other nature that are expected during a merger process, focusing on the merger of two previous different corporations under Reservations Request Inc.

1.3 Problem Statement

Reservations Request Inc. made a strategic decision to merge their two previously operated divisions, and based on that decision, starting from the 1st of October 2018, the services division employees started moving across from Empangeni, Eastern Cape, to Durban, KwaZulu Natal. After the merger, there were challenges to both those moving from one office to another and those who remained in the same office and had to accommodate new co-workers. The two divisions had different cultures and, most importantly, different approaches to the way they do business. Those differences might have led to Reservations Request Inc. experiencing a hike in customer complaints, be it old/existing customers or new customers in the implementation/onboarding phase, indicating a possible loss of production and/or job dissatisfaction.

1.4 Aim of the Research

The study aims to assess the merger process's effect on employee job satisfaction and individual acceptance of change during the merger at Reservations Request Inc.

1.5 Research Objectives

The following objectives are followed for this study:

- I) To *ascertain* the current levels of employee job satisfaction at Reservations Request Inc. in Durban, Kwa-Zulu Natal.
- II) To *identify* change management strategies in place at Reservations Request Inc. during the merger.
- III) To *assess* the impact of change management on employee satisfaction levels after the merger.
- IV) To make *recommendations* to improve employee satisfaction and change the acceptance of employees at Reservations Request Inc.

1.6 Research Questions

The following, are the research questions addressed in this study:

- I) What are the current levels of employee job satisfaction and acceptance of change at Reservations Request Inc.?
- II) What were the change management strategies in place at Reservations Request Inc. during the merger?
- III) What is the impact of change management on employee satisfaction levels during the merger?
- IV) What can be recommended to maintain and/or improve employee satisfaction and change acceptance at Reservations Request Inc. after the merger?

1.7 Significance of the Research

The results of the study will be of great benefit to the following:

- The study will add to the body of knowledge for academics and research personnel, in the area of mergers and acquisitions and their effects on employees, or lack thereof, and what aspects of the job are more or less satisfied with.
- This study will also provide a perspective to other executives and managers who would be considering an acquisition or merger for their respective organisations on the effects that the process might have on their organizations, with regards to aspects of change strategy and how to manage that change effectively and efficiently.
- Ultimately, the study might also provide a way for the directorship and management at Reservations Request Inc. to continue to motivate its employees and maintain efficient levels of employee satisfaction, engagement and performance during the merger process.

1.8 Chapter Organisation

Following this introductory chapter, the remainder of this study comprises four more chapters, one appendix, and a bibliography. The next chapter, **Chapter 2**, provides a literature review of what has already been written in the field on the topic of the research, such as measurement of its success, its impact on the management and employees of the organization, its enablers. The next chapter, **Chapter 3**, gives more in-depth details about the methodology used to conduct the study, how the study could be replicated, and the ethical considerations in executing the questionnaires. The fourth chapter, **Chapter 4** presents the results, and the analyses of the responses from the questionnaires in the order of the research question. Finally, chapter five, **Chapter 5** concludes the study and discusses the recommendations based on the study's results.

1.9 Conclusion Organisation

In summary, this chapter presented the study's objectives, providing a detailed background of the study and the organization where the study was conducted. The researcher also demonstrated in this section the problem statement, the significance of the study, and the

1.9 Conclusion Organisation

research questions and hypotheses of the study and outlined the chapters that the study consists of, providing a brief description for each of the chapters.

Chapter 2

Literature Review

2.1 Introduction

In today's competitive business environment, the increasing number of mergers and acquisitions presents organisations with new opportunities and challenges to consider. This has made the business environment more demanding and competitive as organisational leaders attempt to integrate new business strategies, operations, and cultures of the different organisations to survive and grow. Within the business environment, mergers and acquisitions (M&A), represent an emerging preferred vehicle for business expansion and enhancing organisational performance. In the academic literature, several authors have defined mergers and acquisitions differently, and the theoretical foundations and definitions will be later described in this chapter. This chapter provides views of M&As, the challenges M&As present to an organisation, factors of success measurement and its specific impacts on employees, as well as an overview of change, change management and its strategies.

2.2 Theoretical Foundations

The terms mergers and acquisitions are often used interchangeably, but it is important to understand the difference between the two. [Sudarsanam \(2003\)](#), states that a merger takes place when two or more corporations come together to contribute and share their resources to achieve common objectives. The shareholders of the combined forms often remain as joint owners of the combined entity. According to [Gaughan \(2017\)](#), a merger is a process in which two corporations combine, and only one survives, and the merged corporation ceases to exist. Sometimes there is a combination of two corporations where both corporations cease to exist, and an entirely new company is created. According to [Sherman & Hart \(2006\)](#), a merger is a combination of two or more companies in which the assets and liabilities of the selling firms are absorbed by the buying firm. On the other hand, an acquisition is the purchase of an asset such as a plant, a division or an entire company, according to [Sherman & Hart \(2006\)](#). For the purpose of this study, the assumption will be made that Reservations Request Inc. (Services) and Reservations Request Inc. (Development) merged, to operate under one big umbrella, under the same physical space, and consolidate both business areas into one

2.3 Types of Merger and Acquisitions

[Sudarsanam \(2003\)](#) defines acquisition as an 'arms-length deal' where one company purchases the shares of another company, and the acquired company is no longer the owner of the firm. The terms takeover, merger and acquisition are frequently used synonymously, although there is clearly a difference in the implications of a takeover vs. a merger. The term 'takeover', is often used to describe a hostile merger and/or acquisition, and according to [Gaughan \(2017\)](#), this happens when one company tries to acquire another company against the will of the company's management. However, according to [Sudarsanam \(2003\)](#), a takeover implies that the acquirer is much larger than the acquired.

According to [Gaughan \(2017\)](#), mergers and acquisitions are friendly transactions in which the senior management of the companies will negotiate the terms of the deal and the terms are then put in front of the target company's shareholders for their approval. Whereas in a takeover, a different set of communication occurs between the target and the bidder, in most instances, attorneys and courts are involved in arbitrating the process. Bidders here try to appeal directly to the shareholders, often against the recommendations of the management.

[Sudarsanam \(2003\)](#), states that the differences between merging and acquiring are very important to consider valuing, negotiating and structuring the client's transactions. [Sherman & Hart \(2006\)](#), at the end, point out that the differences in the meaning may not really matter as the result of these processes is often the same, two previously separated are now operating under the same roof and usually to obtain some strategic and financial objectives. After examining the literature on mergers and acquisitions, it is worth noting that although there are fundamental similarities and differences between the two concepts, it would require having a literature review for both concepts and for the purpose of this research, the focus will be on mergers, as it is applicable to the case study in this research. Furthermore, the concepts of acquisitions will still feature now and then throughout the study.

2.3 Types of Merger and Acquisitions

Different M&As are used to achieve different objectives or strategies. There are four types of mergers and acquisitions: horizontal, vertical, conglomeric, and conglomerate.

2.3.1 Horizontal

This takes place to expand control over business activities in the same industry segment and, as a result, might lead to a simultaneous increase in market share and the elimination of the competition ([Gaughan \(2017\)](#)). The main reason for merging and acquiring similar

businesses in the same industry is to obtain synergy between the two business units, which is the case presented in this study.

2.3.2 Vertical

This M&A occurs when an organisation acquires another, that operates in a different stage of its production operations (Piesse *et al.* (2006)). It can be further classified as backward and forward acquisition.

2.3.3 Congeneric

This M&A occurs when one organisation acquires another that is in the same industry, but is neither in the same line of business nor a supplier or customer. This occurs between two organisations in unrelated lines of business (Piesse *et al.* (2006)).

2.3.4 Conglomerate

A conglomerate M&A occurs when the two organisations involved in the M&A are from irrelevant industries, with the purpose of diversifying capital investment, diversifying risk, and achieving scale of economies (Piesse *et al.* (2006)).

2.4 Reasons for Mergers and Acquisition

From both the selling and buying organisation perspectives, organisations decide to embark on a merger process for different reasons. Sherman & Hart (2006), point out that for the selling organisation, the key motivators in an acquisition usually include one or more: Ownership nearing retirement or ready for an exit; Inability to compete as an independent concern; The need or desire to obtain cost savings through economies of scale; Access to the greater resources of the acquiring company.

While for the buying company, Sherman & Hart (2006) state that the key motivators include one of the following:

- Revenue enhancement;
- Cost reduction;
- Vertical and/or horizontal operational synergies or economies of scale;
- Growth pressures from investors; Underutilized resources;

2.5 Change Management as an Enabler of Mergers

- A desire to reduce the number of competitors (increase market share and reduce price competition);
- A need to gain a foothold in a new geographic market (especially if the current market is saturated);
- A desire to diversify into new products and services; As stated in the theoretical foundations;
- A desire to diversify into new products and services;

As stated in section, 2.2, [Sherman & Hart \(2006\)](#), provides a distinction between merger and acquisition, they stated that the objectives of a merger for either party include the following: To restructure the industry value chain; To respond to competitive cost pressures through economies of scale and scope; To improve process engineering and technology; To increase the scale of production in existing product lines; To find additional uses for existing management talent; To redeploy excess capital in more profitable or complementary uses; To obtain tax benefits;

There are some of the factors that need consideration, and one must understand one or more factors play a role in M&As. It is important to mention that the factors listed above had, in some ways, played a role in the merger at Reservations Request Inc. That is because its shareholders wanted to increase their return on investment, and if that means consolidating different service areas, and offices to achieve that return on investment, they will do that. However, the management in the organisation is responsible for managing change and ensuring that it positively impacts employees.

South Africa has a growing and very accessible travel and tourism software industry and travel-related services as a whole, for both domestic and international players. So companies operating in a niche market, such as Reservations Request Inc., must have strategies in place to remain competitive in a growing and competitive market.

2.5 Change Management as an Enabler of Mergers

Change in management is a very broad topic. For this study, we will focus on the need to understand the change of management as an enabler of successful M&As. Change in an organisation means a modification of the way things get done in the system, as defined by [Smit et al. \(2011\)](#). Managers often assume that the problem is solved when employees verbally

2.5 Change Management as an Enabler of Mergers

agree to a change. The verbal agreement should not be mistaken for behavioural implementation. Managers need to be agents of change to help employees adopt and implement new behaviours more effectively.

When dealing with change, there are roles that need to be clearly defined. [Cameron & Green \(2015\)](#) suggests that change sponsor, change agent, and change target are roles that, if defined clearly, can make understanding the roles and responsibilities for change easier.

Change sponsors - These are the individuals within the organisation who have the authority to make the change happen.

Change agents - These are the individuals within the organisation who are facilitators of change and help the sponsors and implementers of the change, stay aligned.

Change targets - These are the individuals within the organisation who are asked to change something, e.g. their skills.

If an organisation needs to improve its competitiveness and stay ahead of the competition, the business must be willing to embrace change. Sometimes an organisation has to merge or acquire some of the businesses that it feels, are required to take them to the next level in terms of services and products or take them to a niche market that can even make them more competitive. Change management is about managing the obstacles of change. Management ought to understand that change must be managed effectively to avoid these obstacles.

Within the modern management literature, John Kotter's 8-step model ([Kotter \(1996\)](#)) describes an elaborated approach to successful change management, with significant emphasis on communication, as pointed out in the study by [Yakubu & Panteleo \(2016\)](#), which will be later described in this chapter, communication represents one of the biggest challenges of M&As, and change needs to happen at all the three enterprise levels listed below, if one level is not satisfied, this may result in a failure of change.

- **Organisational level**

The following needs to be changed at this level:

Believes - The organisational belief system is evident in a company's vision statements, business strategies and core competencies. The belief systems of the organisation are important, as they will help orient employees in the required direction of change. If the beliefs are negative, this may hinder success in changing behaviour. When employees understand what is required from them, and also accept (buy-in) the vision of the organisation, this

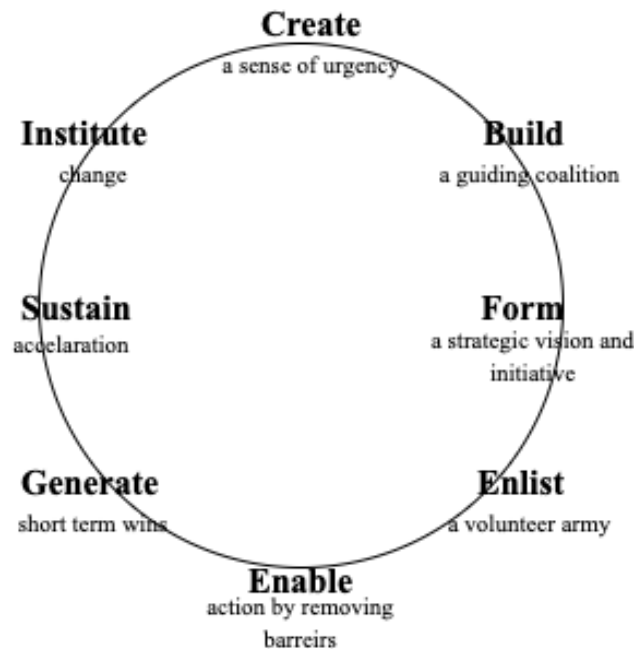


Figure 2.1: John Kotter's 8 Step change model (Kotter (1996))

may result in the change being effected smoothly – and, most importantly, there will be less resistance to change.

Performance drivers - These are goals that are set by the organisation, such as feedback, targets etc. When change happens within an organisation, it is vital to change the performance drivers, as this shows the direction of change and, most importantly, highlights the benefits of change.

Work process - Employees must understand and have clearly defined roles within the organisation in order to appreciate what needs to change, because “if employees understand what they are ultimately accountable for, many of the problems with inefficient work processes resolve themselves”.

- **Functional level**

Building skills, healthy teams, and support of change - Teamwork is one of the words that many like to use to demonstrate a working relationship. It is very important to understand teamwork's role in bringing about successful change. When there is a change, one of the challenges employees face is interaction with each other. It is even harder when there are

two companies coming together, possibly with different cultures, which likely is not the case at Reservations Request Inc., because, although both divisions operated at different spaces, they were part of the same corporate structure with relatively aligned synergies. Once organisational and group-level change has been achieved, then there is a need to understand what needs to change at the individual level in order for change to be successful.

- **Individual level**

Buying-in - There cannot be change until individuals agree that there is a need to change. Hesitation, uncertainty and frustration are some of the emotions that employees will go through during the process of change. It is very crucial that employees are involved in the process of change so that their buy-in is ensured. Increasing responsibility and building of new skills that will help individuals cope with change.

2.5.1 Types of Organisational Changes

Lewis (1994) there are four types of organisational change:

- Status Quo - There is no change in current practice;
- Expanded reproduction - The change involved produces more of the same (goods or services);
- Evolutionary transition - The change occurs within the existing parameters of the organisation (the existing structures, technology, etc. are retained);
- Revolutionary transition - The change involves shifting or redefining existing parameters. Organisational structures and technology are likely to change;

This shows that changes within organisations happen as a result of different reasons. Change may occur due to budget policy change or downsizing within the organisation, and the organisation may have to retrench employees. Nevertheless, these are not the only reasons why change happens within the organisation, hence the different models of change from different authors, and perhaps the model that best describes the modern corporate landscape is Lewis' change model described in **Lewis (1994)**, which consists of three steps:

- Freezing
- Changing behaviour

- Unfreezing

This gives the researcher a better understanding of why change happens and how the different models or reasons for change relate to the research purpose. Nowadays, demands on corporate strategists are increasingly heavy, as strategic implementation of change is becoming more complex in the real world. Therefore it is essential that management understand the forces of change in order to put systems in place to manage change more effectively.

2.5.2 Change Strategies

Perhaps is worth mentioning that different authors have different understandings of the forces of change. Even though most authors have different understandings, the forces of change remain the same over the years. It is important for this study to understand the areas of organisational change as discussed by [Smit *et al.* \(2011\)](#) and depicted in Figure 2.2. Most organisations have a strategy for the future; these are goals that the organisation would like to achieve, such as growing their customer base, increasing profits, etc.

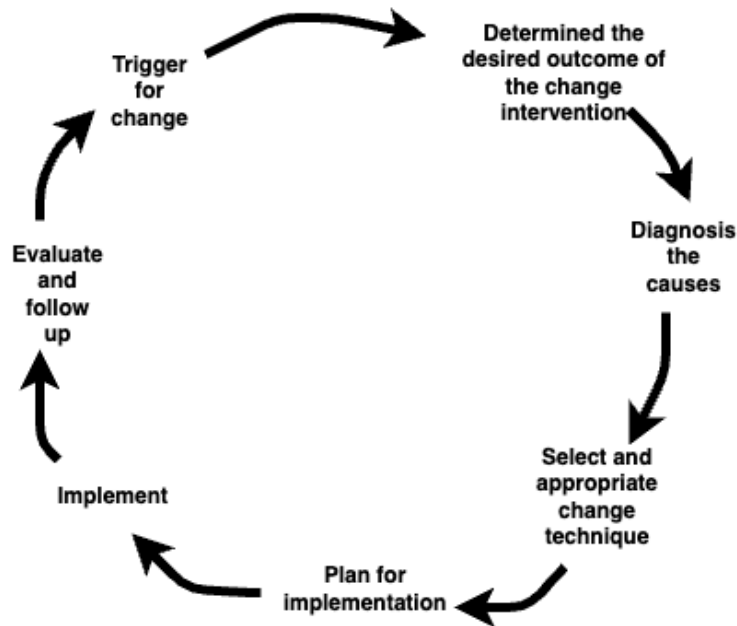


Figure 2.2: Areas of organisational changes ([Smit *et al.* \(2011\)](#))

These authors argue that, in order to have a successful change, the following steps need to be considered: *Change the organisational structure* - The strategy for change should also result in a change of the organisational structure. This is a decision that has to do with

2.5 Change Management as an Enabler of Mergers

bureaucracy within the organisation, authority and how decisions are made within the organisation, whether the change will be centralised or decentralised. In the scenario under study, the organisational structure in place won't be affected as much, as the decisions made by both divisions will be consolidated under the same directorship. However, it is management's responsibility to make employees understand that the protocols within organisations are there as a form of control. Although, employees can sometimes see this as a form of abuse of power and status.

Technological change - High-cost, fast-changing technologies, such as those found in the enterprise software solutions industry, might require a more flexible culture than expensive technologies, such as machinery, where a more formal, well-structured culture will be required. In enterprise solutions, for a company to stay competitive, the organisation must be the leader in launching new features and keeping its systems up to date with industry trends. This is one of the strategies that Reservations Request Inc. prides itself on.

Changing people - Change in people can be seen as a result of changes in the organisational culture. In many cases, this also entails changing the behaviour of the people. For an organisation to change successfully, literature shows that there must be buy-in from the employees, as they will have to change how they are accustomed to doing business to incorporate the new culture.

2.5.3 Resistance to Change

Change differs from organisation to organisation. Some changes will be greater than others. Some will impact certain individuals within the organisation; others will affect the whole organisation. This study is more interested in the effect of change on individuals. Although management can enforce change within an organisation, it is also important to understand that change starts to form within the individuals themselves: therefore, employees must have a need to change. If that does not happen, they will be resistant to change. Management is responsible for ensuring that relevant precautions are in place to reduce resistance to change.

Mullins (2007) argues that individual resistance to change is a result of the following: Selective resistance; Habit; Inconvenience and loss of freedom; Economic implication; Security in the past; and Fear of the unknown.

When merging companies, it is important that the stakeholders involved have the right information to make a decision, as employees, or people in general, tend to resist the unknown. However, it is argued that regression to the mean is dynamic, yet can be a frustrating

2.5 Change Management as an Enabler of Mergers

guide to decision-making because accuracy depends on human beings and not human nature. People never know what the future holds, yet assume that the future will resemble the present even though it is clear that tomorrow may bring unknown changes. For every decision made, people are not certain of the outcome of the decision and are therefore uncertain about the future. However, even though there is ambiguity and uncertainty, we mostly rely on the information we receive from others, our skills, and experiences from the past.

Smit *et al.* (2011) further suggest reasons why employees resist change:

Threatened self-interest - People are more interested in their own interests when there is a merger. "What is going to happen to me?" is one of the first questions that one would ask when hearing about a merger. People have a fear of losing what they currently have; in this case, it will be their status or power. Insecurity can also result in resistance to change, as employees may feel that their jobs are not secured, and their comfortable environment has been disturbed. Fear of failure may also result in resistance to change.

Uncertainty - The doubts that we, as individuals, possess, may be very negative towards change in an organisation, but most of all towards changing who we are as human beings. This is regarded as one of the biggest causes of resistance to change. People may resist change when uncertain or unsure of their future within an organisation. They fear the possibility of losing their jobs, and positions or, more likely, of being relocated.

Lack of trust and misunderstanding - Employees will resist change if the strategic objectives are not communicated clearly to them. This is because, if employees do not see the need to change, they will resist it. Distrust may be caused by management not communicating with employees about what is happening. This can also be caused by situations where decisions are taken without consulting employees.

Different perceptions - This will mainly be the perceptions of different employees about what change means to them. For instance, they could think: "This is my ticket to finally get that sponsor for the degree I always wanted but always rejected as a result of lack of funds!" On the other hand, an individual may have a perception about how the change may affect the promotion for which he/she has been waiting for years, as there may be more employees in the new department in which he/she will be working, and this would be a negative perception.

Low Tolerance For Change - People may resist change because they are not emotionally ready for it. Fear makes people afraid to try new things as they are not certain what will happen. The literature shows how important it is that management controls the resistance

of individuals to change. The key to this is that management needs to understand that it must not force change on employees; it also needs to understand that change starts from the individuals themselves, and sometimes, if employees are not willing to change, perhaps the new organisation is no longer what they need. It may therefore be best for the organisation if they consider other ventures. It is also important for managers to understand that if resistance to change cannot be controlled, it may sometimes lead to conflict within the organisation, thus resulting in voiding all the efforts for successful mergers.

2.6 Challenges of Mergers and Acquisitions

As with almost every process any organisation decides to embark on, M&A, also poses significant challenges to all parties involved in the process. [Arora & Kumar \(2012\)](#), mention some of the inherent challenges of the merger process, including lengthy bureaucratic processes; integration difficulties; and inadequate evaluation of targets.

In the study by [Yakubu & Panteleo \(2016\)](#), they pointed out the following challenges, as the findings of their study:

- Communication

The major weakness in the M&A process was the lack of adequate communication, which was evident in the comments of the majority of the respondents, who indicated that they had learned of the M&A through informal meetings and discussions. 51% of the respondents were unsatisfied, 48% was moderately satisfied, and only 3% found the communication model very satisfactory. There was no trust, transparency and engagement on the part of management and HR.

- Organisational Culture

The cultural fit after the acquisition was unsatisfactory for 78% of the respondents, while 22% was moderately satisfied with it. As a result of the M&A, the new company's policies and procedures were unsatisfactory to 42% of the respondents, and the majority (56%) of the respondents were moderately satisfied, and overall, the data showed the cultural assessment was not effective, and the cultural integration plans put in place were misaligned. Furthermore, the study concluded that the two organisations had no cultural relationship.

- Departmental integration

The employees' levels of satisfaction and morale were low as a result of the instability of the business created by the merger. Co-work integration was unsatisfactory for 59% of the respondents, and 39% was moderately satisfied. The levels of job security were low for 57% of respondents, while 2% were very satisfied with their levels of job security after the acquisition and little clarity on employee roles and responsibilities has resulted in the inability of employees to adapt to the new culture and systems of the new entity.

- Change management and time frame

Change could either be planned or emergent. The psychological challenges that were noticeable among co-workers because of the acquisition include the threat of job loss was highest (93%), followed by a sense of insecurity (89%) and job changes (71%). A sense of uncertainty was noticed by 39% of the HR respondents, and social welfare concerns were noticed least (7%). Evidently, the assimilation time frame was not enough to give the organisation, being analysed in the study, ample time to understand the new entity systems before they were implemented.

2.7 Impact of Mergers and Acquisitions

As identified by [Cameron & Green \(2015\)](#), the organisational areas most impacted by a merger are management, employees and change management.

2.7.1 Management

Because M&A are categorized for the most part as a management decision, one factor of failure in M&A is that there is no provision for the human factors during this process. Sometimes employees have to accept it and have little to no participation in the process, as pointed out by [Weber & Tarba \(2012\)](#). If a M&A takes place, this fact means that two organisations' management teams have to cooperate and employees have to work together.

According to [Lewis \(2019\)](#), one of the biggest impacts of M&A comes from a merger or change of workplaces. The acceptance of this type of change requires much more energy and effort than most managers probably expect, as managers are often too focused on the technical aspects of a merger. They don't give enough importance to the human side of the change, like guiding and supporting the employees during a process. Human resource issues can reduce mistakes that are made during an M&A process.

Another factor that impacts the management during a M&A process, according to [Roberts *et al.* \(2010\)](#), is the existence of ineffective and inefficient management in key areas of the resulting organisation, as they might lead to no achievement of new strategic objectives that have just been established for the M&A. In the same publication, [Roberts *et al.*](#) points out that another big factor that impacts managers in a post-M&A scenario is the examination of factors that affect organisational performance in the company from the aspects of organisational culture and acceptance of change, as this might be the result of the management team been unfamiliar with the new products, services and markets that are introduced, if and when the M&A is undertaken with the rationale of spreading business risk across a range of different areas.

2.7.2 Employee

[Froese *et al.* \(2008\)](#) found that employee satisfaction during an acquisition depends on the strategy used during the integration process, and whether the integration meets their standards or expectations solely depends on the level of resistance to the change. The study about M&A, conducted by [Yakubu & Panteleo \(2016\)](#), found that, the overall employee level of satisfaction within the organisation after a merger process is very low, as a merger can cause low morale among employees, which in turn may lead to reduced levels of commitment.

As pointed out by [Arora & Kumar \(2012\)](#), these are some of the challenges employees face after a M&A:

- Voluntary turnover of key people and loss of expertise;
- Lowered commitment and disloyalty;
- Performance drops and lowered productivity;
- Motivational problems; Dissatisfaction, frustration, confusion and stress;
- Dysfunctional behaviour and sabotage;
- People refusing assignments;
- Increased absenteeism;
- Health problems;
- Power struggles;

2.7.3 Change Management

From a management point of view, change has been defined by [Laurentiu *et al.* \(2016\)](#) as a transformation of the organisation's strategy, or a cultural transformation in terms of an organisation due to environmental changes, structure, technology and people.

Change is an inevitable part of existence for individuals and organisations and is a factor faced by leaders in the workplace when dealing with adoption to a dynamic business environment, which research has shown to be the case with almost every M&A process organisations embark on. This point of view was further validated in the study conducted by [Terry *et al.* \(2001\)](#), where they concluded that it is true that organisational change may create job insecurity in individual self-esteem, after a merger.

2.8 Measurement of Success of Mergers and Acquisition

There are numerous ways in which a merger's relative success or failure can be defined. Success may be defined in terms of short-term measures of performance, such as an improvement in turnover during the year immediately after the merger, and improvements in service and product delivery. Alternatively, success can be considered in terms of long-term measures of performance, such as a sustained increase in average share value during the 10 years after the merger. Success is often measured in terms of a combination of short- and long-term performance.

2.8.1 Short-term Measure of Success

There are several well-documented short-term effects of a merger announcement. In most instances, when the announcement is made, the value of the target company shares will increase while the value of the acquiring company shares will remain static or fall, as is pointed out by [Roberts *et al.* \(2010\)](#).

As a result, acquired companies are often overvalued at the time of acquisition, particularly where more than one bidder exists. Shareholders may therefore have two different views of success in the context of an acquisition. Target shareholders who sell shares to the acquirer at the premium rate make more money than they otherwise would have done in selling the shares. For target shareholders who sell, the short-term view of the acquisition may be one of success. Shareholders who remain with the target and continue to hold shares of the merged company may have a different long-term view.

2.8.2 Long-term Measure of Success

The long-term view tends to be more complex and less clearly defined. As it is suggested by the literature, long-term performance can depend on a wide range of variables. In straightforward financial terms, the long-term success of the merger appears to depend on two main areas: payment method and implementation, according to Roberts *et al.* (2010).

The merger deal is generally financed either by a cash deal, or by a share deal, or a combination of the two. The other major long-term problem indicated by the literature is ineffective implementation. Numerous mergers continue the implementation process for much longer than was originally intended. In addition, it is common to find that the original implementation plans are changed during the integration process as it becomes apparent that the implementation plans were not sufficiently well thought through, or that the problems associated with full integration were not fully appreciated during the planning stages.

2.9 Employee Satisfaction

According to Wu & Lee (2011), keeping employees satisfied has always been a major challenge in organisational management. Adopting effective ways to motivate employees to achieve and deliver higher job performances and increase organisational competitiveness is the main objective of every business organisation.

Employee satisfaction is instrumental to organisational growth and profitability. The employees are regarded as the major business resources that facilitate an organisation's daily activities and operations. Similarly, Inuwa (2016) asserted that organisational effectiveness and efficiency depend on how effective and efficient the employees in the organisation are. Employer's ability to comprehend employee satisfaction as it relates to schedules and daily responsibilities will greatly impact employee productivity and performance.

2.9.1 Measure of Satisfaction

Inuwa (2016) argued that the seeming performance of an employee expresses the entire conviction of an employee in regard to the actions and input to the attainment of the organisation's goals and mission. In the same study, the author further mentioned that practices of compensation, evaluation of performance and practices concerning the promotion of an employee are the benchmarks for a worker's performance. Anitha (2014) also stated that an employee's performance is a gauge or pointer of monetary or other result

of the employee that has an undeviating relationship with organisation performance and accomplishment. Additionally, disclosed that the atmosphere in which employees perform tasks and other schedules, relationships with bosses, co-employee relationships and that of the team, compensation procedure, and engagement of an employee are determining factors for performance. Conversely, [Alagaraja & Shuck \(2015\)](#) states that employee performance can be measured by means of regular training and improvement. In addition, [Ng & Feldman \(2010\)](#) take on employee performance measures as core job performance, including in-role performance, security performance, and inventiveness, trailed by citizenship performance, branded into equally targets-specific and wide-ranging organisational citizenship. As far as this study is concerned, however, dimensions for measuring employee performance provided in the study of [Liao *et al.* \(2012\)](#) were chosen. This is due to the fact that the dimensions in those studies about employee satisfaction were measured from the point of view of the organisation, the employee, and the job itself i.e. organisational objective, employee objective, performance development and employee satisfaction are used as measures of employee performance which makes it more wide-ranging. Satisfaction of an employee, gives room for innovativeness among employees and general organisational performance and innovativeness, in a manner that prosperous work of accomplished, inspired and zealous human resources yield ground-breaking concepts for newer goods or services and also upsurge performance quality and satisfaction of the clients

2.10 Conclusion

This chapter presented that M&As have become a key part of many corporations' growth strategies, and companies embark on such processes for a variety of reasons, including, but not limited, to, reducing risks, increasing returns and decreasing geographic diversification, which is reducing operations into fewer locations used to obtain greater market power and consolidate services and products. However, as pointed out in the literature, M&As transactions often fail to achieve their intended purposes, because the behaviour of employees affected by M&As may critically affect whether M&As are ultimately successful or not. The literature also pointed out that M&A often involve a great deal of organisational change, integrating parts of the previous organisation's functions and/or activities, which may greatly hamper employees' job performance and satisfaction levels. However, the degree and the level of organisational changes could be very substantial across mergers because the motives and types of mergers differ widely.

Chapter 3

Research Methodology

3.1 Introduction

Research methodology is the specific procedures or techniques used to identify, select, process, and analyze information about a topic. In a research study, the methodology section allows the reader to critically evaluate the study's overall validity and reliability. There are two types of research philosophies positivist (quantitative) and phenomenological (qualitative). This chapter describes the study target population, sampling strategy, research data collection instrument, the research limitations and ethical considerations adopted for the study.

3.2 Rationale for the Methodology

There are two possible research approaches, qualitative and quantitative. Aliaga & Gunderson (1999) have described the quantitative research methods very well. They defined "*Quantitative research*" as an inquiry into a social problem, explaining phenomena by gathering numerical data that are analysed using mathematically based methods, e.g: in particular statistics. Bell *et al.* (2011) stated that qualitative research is a research strategy that indicates the relationship between theory and research and usually emphasizes how theories were generated. As a research strategy, qualitative research is inductivist, constructionist, and interpretivist, but qualitative researchers always don't subscribe to all three of these methods.

The researcher adopted the quantitative research approach as a research strategy for this study. The approach was adopted because it allows the researcher, to get the facts from the participants in examining the phenomenon, to satisfy the aim of the study. Self-administered survey questionnaires were administered to the participants of the study. Quantitative analysis methods were applied to the collected data, and the results were scientifically analysed and represented numerically in the results and findings chapter.

3.3 Research Design

Research design is the plan that provides an overview of the activities that are necessary to execute the study as defined by Cooper *et al.* (2003). Research design provides an operational frame within which the facts are placed, processed through analyzing procedures and the valuable study output is produced.

Cooper *et al.* (2003), provide the following definitions of the various research designs:

- Descriptive Research: is concerned with finding out the what, where and how of a phenomenon;
- Exploratory Research: is used to investigate a phenomenon which is not clearly defined. It is conducted to have a better understanding of the existing problem, but will not provide conclusive results;
- Explanatory Research: is conducted for a phenomenon which has not been well researched before, demands priorities, generates operational definitions and provides a better-researched model for the phenomenon, and focuses on explaining the aspects of the study in a detailed manner;

The research problem was studied through the use of a descriptive research design. This study therefore was able to generalize the findings to Reservations Request Inc. The focus of this study was quantitative, as stated in the research methodology section. However, some qualitative approach was used in order to gain a better understanding and possibly enable a better and more insightful interpretation of the results from the quantitative study.

3.4 Research Philosophy

A research philosophy is a belief about the way in which data about a phenomenon should be gathered, analysed and used, according to Collins (2018). The author also identifies two major research philosophies: positivist (sometimes referred to as quantitative) and phenomenological (sometimes referred to as qualitative).

3.4.1 Positivist

Positivist philosophy adheres to the view that only "factual" knowledge gained through observation (the senses), including measurement, is trustworthy. In these studies, the role

of the researcher is limited to data collection and interpretation in an objective way and research findings are usually observable and quantifiable.

3.4.2 Phenomenological

Phenomenological philosophy entails the researchers interpret elements of the study, by trying to understand the phenomena by directly experiencing the phenomena, thus integrating human interest into the study. Accordingly, phenomenological philosophy assumes that access to reality (given or socially constructed) is only through social constructions such as language, consciousness, shared meanings, and instruments. Accordingly, this philosophy emphasizes qualitative analysis over quantitative analysis.

Based on the descriptions of the two philosophies above, the researcher adopted a positivist philosophy, as it would enable the researcher to collect and provide an interpretation of the data regarding the satisfaction levels at Reservations Request Inc.

3.5 Research Strategy

[Saunders *et al.* \(2009\)](#), defined research strategy as the way through which a researcher makes sense of the object of inquiry. [Saunders et al \(2015\)](#). Within research methodology, research strategy assumes the general plan of how the researcher will go about answering the research questions.

[Saunders *et al.* \(2009\)](#), provide the following research strategies:

- Experiments - It is used to examine whether the change in the independent variable induces a change in the dependent variable. There can be different numbers of independent variables;
- Survey - enables the researcher to collect data from a sizeable target population. The data can then be analysed using descriptive and inferential analysis tools;
- Case Studies - Involves empirical investigation to study contemporary phenomena using multiple sources of evidence. It is opposite to an experimental strategy which is not bound to a context. It is most suitable when gaining in-depth insight into the research context;

- Ground Theory - This strategy is adopted to predict and explain a behaviour. In this strategy, the research initiates the development of the theoretical framework. New theories are then developed on the basis of the theoretical framework;
- Ethnography - the purpose of this strategy is to describe and explain research subjects just the way it would provide a description or explanation to the subjects;
- Action Research - is based on the following four themes;
 1. Focus on the purpose of research;
 2. The role of the researcher within the research study;
 3. The process of diagnosing, planning and taking action;
 4. The research should have implications beyond the immediate research;

Based on the descriptions of research strategies listed above, the research design and the philosophies this study used, the researcher of this study adopted a survey research strategy.

3.6 Target Population

The study was conducted at Reservations Request Inc., located in Durban, Kwa-Zulu-Natal. The target population of the study are all employees of Reservations Request Inc. The organization has 380 employees, including (320 full-time, 41 part-time, and 19 contractors), divided into 6 departments, namely, functional support, technical support, data and implementation, marketing and communications, and software development.

The motivation for the inclusion of all 380 employees is to conduct a census study of the organization because every employee of the organization is affected by the merger process that the organization is undergoing.

3.7 Sampling Strategy

Sampling has received varied definitions from major authors on research methods. Glicken (2003) defined sample as, the process of selecting a smaller group of participants to tell us essentially what a larger population might tell us if we asked every member of the larger population the same questions.

Sampling strategies are divided into probability and non-probability sampling, where according to Glicken (2003), in probability sampling, the population of the study get an equal

opportunity to be selected as representative samples, whereas in non-probability sampling, it is not known which individuals from the population of the study will be selected as representative samples.

It is very important that the study has a sufficient size of the population in order to provide answers to the research question. The researcher can use one or many of these types of sampling:

1. Random sampling - when every person has an equal chance of being selected to be in the sample;
2. Simple Random - selected from the population so that all members have the same probability of being selected, usually by using a systematic method;
3. Systematic random - usually using a random number table of some kind or even gambling dice;
4. Stratified - when the researcher chooses according to subgroups such as age, gender and race;

Cluster sampling groups of individuals are identified from the population as subjects, however, the researcher chooses the groups according to convenience; Because this study is aimed at conducting a census study at Reservations Request Inc., a simple random sampling approach is adopted as the sampling strategy.

3.8 Data Collection Instruments

According to [Birmingham & Wilkinson \(2003\)](#), data collection instruments are used to collect data for the research, including instruments such as questionnaires, interviews, observations, etc. This study utilized a self-administered questionnaire. Such a questionnaire will be delivered and retrieved from a web portal constructed solely for the purpose of the study.

A survey is beneficial in that it is an efficient, accurate, quick and relatively cheap method of acquiring data. It also provides respondents with an opportunity to think about their answers. The website method also catered for geographically dispersed samples, as the organization has employees who work remotely and on client sites on a regular basis.

Geographically dispersed samples can be problematic when the data is delivered and retrieved by hand. This will not be a problem for this study. An adaptation of the Minnesota

Satisfaction Questionnaire (MSQ), was used as the research instrument. The instrument was selected because it best measures the variables present in the study, offering validity and reliability for the eventual result of the study. The instrument consists of 4 sections:

- Section 1: Biographical Information - Used to gather the respondent's biographical information, such as age group, gender, year working at the company, etc. The section consists of 5 closed-end questions;
- Section 2: Performance Satisfaction Evaluation - Used to gather information about the satisfaction levels of the respondents to achieve Objective I) of the study. The section consists of twelve Likert scale questions;
- Section 3: Change Management Strategy - Used to gather information about the change management strategies Reservations Request Inc. had in place for the merger process, to satisfy Objective II) of the study. This section consists of 5 total questions, of which, one close-ended question, 1 open-ended question and one Likert scale question;
- Section 4: Impact of Change Management - This section is used to assess the impact of the change strategies or their absence on the performance of the employee, to address Objective III) of the study. The section consisted of one Likert scale questions;

3.9 Validity and Reliability

Cooper *et al.* (2003), define validity, as the extent to which a test measures what it is actually intended to measure, and reliability as the accuracy of the measurement procedures. The reliability of the data that the study aims to collect must, of course, be an important consideration, because if the data used is not reliable, then the eventual conclusions drawn on the basis of such data will be fairly useless. This research ensures both principles by adapting the well-established research instrument for employee job satisfaction.

The MSQ has been repeatedly investigated for reliability and validity. It is designed to measure an employee's satisfaction with his or her job and provides more specific information on the aspects of a job that an individual finds rewarding than more general measures of job satisfaction.

3.10 Data Analysis

According to Xia & Gong (2014), data analysis is a process of inspecting, cleansing, transforming, and modelling data to discover useful information, inform conclusions, and support decision-making. Data analysis has multiple facets and approaches, encompassing diverse techniques under a variety of names, and is used in different business, science, and social science domains. In today's business world, data analysis makes decisions more scientific and helps businesses operate more effectively. The retrieved data was documented, classified and ordered. This was done by tallying up responses, computing percentages, and variations in the responses as well as describing and interpreting the data in line with the study objectives and assumptions through the use of Microsoft Excel. Content analysis was used to test data of qualitative nature or aspects of the data collected from the open-ended questions, such as data collected in the 3rd section of the questionnaire. Content analysis uses a set of categorisations for making valid and replicable inferences from data to their context. Thus offering a quantitative and qualitative description of the objectives of the study.

3.11 Pilot Study

A pilot study is a mini-version of a full-scale study or a trial run done in preparation for the complete study. It is also sometimes referred to as a feasibility study. It can also be a specific pre-testing of research instruments, including questionnaires or interview schedules (Blaxter *et al.* (2001)). The pilot study thus followed after the researcher had a clear vision of the research topic and questions, the techniques and methods, which will be applied, and what the research schedule will look like. It is reassessment without tears (Blaxter *et al.* (2001)), trying out all research techniques and methods the researcher has in mind to see how well they will work in practice. If necessary, it can then still be adapted and modified accordingly. (Blaxter *et al.* (2001)). The pilot study in the current research can be defined as mainly a try-out of research techniques and methods, but also of questionnaires.

A pilot study was conducted with one manager, and at least twenty employees, prior to the main research being conducted, and due to the size of the population and sample size, participants of the pilot study will also be included in the main study

3.12 Administration and Collection of Questionnaires

Questionnaire administration procedures involved the following steps:

- 1) Permission to administer the questionnaires to the employees of the organization was asked from the HR department;
- 2) Upon granting of the permission, every employee of the organization was notified via email and other face-to-face meetings conducted at the company, and then the link to the online questionnaire was sent to every employee of the organisation;
- 3) The website contained the researcher's information, the purpose of the study and instructions on how to complete the questionnaire and each questionnaire URL could only be accessed and completed once, to avoid duplication;

The collection of questionnaires involved the following steps:

- 1) Once the questionnaires were filled electronically, the researcher accessed the database with the respondents' information and took down the website that hosted the questionnaire;
- 2) Exported the information in the database, into a catalogued version of Microsoft Excel, for further information analysis;

3.13 Limitations of the Research

The research area of mergers and acquisitions is immense. A study of mergers and acquisitions can be investigated from the viewpoints of various disciplines such as finance, accounting, management, organisational behaviour, corporation law, and social science. This study, concentrated on a particular discipline to obtain a focused result, namely on the organisational behaviour aspect, focusing on its impact on employee job satisfaction only. Additionally, there might be limitations in the following aspects of the study:

- Limitations in obtaining the information required from Reservations Request Inc., as the organization might deem the information to be very sensitive and confidential;
- The bias in which participants of the study might say, as what they say might not always reflect the truth, as people might react differently while responding to self-administered questionnaires;

One other limitation of the study, however, might not be on the level of the details that the respondents decide to share, but on the level of comparison and construct validity. It

is possible that an analysis of the satisfaction of people affected by a merger or acquisition may not present data that pertains to the effects of the merger or acquisition at all. The merger or acquisition may have been such a pertinent event that it is all too easy for the respondents to interpret the reason for the research as relating to the event. That could again lead to respondents responding to the questions posed in terms of the event and not in the terms specified in the questions. This would mean that they connect all aspects of satisfaction or dissatisfaction and lack of performance to the event in question, thereby changing the results irreparably.

3.14 Elimination of Bias

Gardenier & Resnik (2002) defines bias as any trend or deviation from the truth in data collection, data analysis, interpretation and publication that can cause false conclusions. Bias can occur either intentionally or unintentionally. The intention to introduce bias into someone's research is immoral. Nevertheless, considering the possible consequences of biased research, it is almost equally irresponsible to unintentionally conduct and publish biased research. The study's entire population was also the study's sample, as this research did not suffer from selection bias, as every employee was included.

3.15 Ethical Considerations

Ethics is concerned with attempting to create codes and principles of moral behaviour. May (2011), defined ethical problems in research as those that arise when trying to define one course of action and another not in terms of expediency or efficiency but by reference to standards of what is morally right or wrong.

The following ethical considerations will be adopted while conducting the study:

- Full consent and permission to conduct the study were obtained from the organization where the study was conducted, and the consent was attached to the research proposal document;
- Anonymity was used on answering the survey questionnaires to ensure that no harm would come to participants of the study and adequate levels of confidentiality of the research data were ensured;

- Communications in relation to the study were conducted with honesty and transparency between all parts involved;
- A covering letter to the questionnaire, which explains the objectives of the research and, importantly, provides respondent assurance that the responses were done anonymously, confidentially and voluntarily;

3.16 Conclusion

This chapter provided a description of the research methodologies and design decisions involved in conducting this study. From the decision to select a quantitative vs. qualitative approach to listing the limitations and ethical considerations, the researcher had to make, to how the survey questionnaires were handed over to respondents and how they were subsequently collected and analysed, to present the results in Chapter 4 of the study.

Chapter 4

Results and Findings

4.1 Introduction

This chapter focuses on data analysis, interpretation and presentation. As such, the study sought to establish the current levels of employee job satisfaction at Reservations Request Inc., identify change management strategies in place at Reservations Request Inc. during the merger, To assess the impact of change management on employee job satisfaction levels after the merger. The data was gathered from a questionnaire as the research instrument. The questionnaire was designed in line with the objectives of the study. The study employs various statistical tools for extracting information on the influence of mergers and acquisitions on employee job satisfaction with a focus on Reservations Request Inc.

4.2 Response Rate

This research took a study is a census study approach, and questionnaires were distributed to all 380 employees of the company, and no sampling of the respondents was required. Out of the 380 distributed questionnaires, 10.53% were not returned to the researcher and/or returned but wrongly filled, resulting in a 89.47% response rate for the study, implying that the study can comfortably generalize the findings because 89.47% is a good representation of the targeted population.

	Frequency	Percentage(%)
Questionnaires duly filled	339	89.21
Questionnaires not returned/wrongly filled	41	10.79
Total	380	100

Table 4.1: Independence with the team/department

4.3 Demographic Characteristics of Respondents

Because the study targeted all employees at Reservations Request Inc., the results on the demographic characteristics of the respondents had to be investigated in the first section of the questionnaire. They are presented in this section below under age, gender, working

4.3 Demographic Characteristics of Respondents

experience, academic qualifications and the nature of work distribution of the respondents accordingly.

4.3.1 Age Rate

	Frequency	Percentage(%)
Less than 24	100	29.50
25 - 29	119	35.10
30 - 35	22	6.49
36 - 40	20	5.90
41 - 45	21	6.20
46 - 49	20	5.90
50 or More	37	10.91
Total	339	100

Table 4.2: Age distribution

The level of employee satisfaction may depend on the age of the respondents. In order to avoid bias, this study had to investigate the composition of the respondent in terms of age brackets to understand their satisfaction levels with the merger. The findings are presented in Table 4.2. The table shows the respondents' age distributions, showing that the organisation's two largest age groups are of employees between the ages of 25 and 29 years at 35.10% followed by the group of employees with less than 24 years with 29.50%, then by the bigger group, that comprises employees aged between 30 and 49 with 24.49% and the remaining 10.91% compressed by employees with over 50 years.

4.3.2 Gender

	Frequency	Percentage(%)
Male	202	59.59
Female	137	40.41
Total	339	100

Table 4.3: Gender distribution

The study required the respondents to indicate their gender by ticking on the spaces provided in the questionnaire. Table 4.3 shows the distribution of the respondents by gender. The organization has a fairly balanced distribution of genders, with a Male representation

4.3 Demographic Characteristics of Respondents

of 59.59% and a Female representation of 40.41%, displayed in Table 4.3. Implied that the views expressed in these findings are gender sensitive and can be taken as representative of the opinions of both genders.

	Frequency	Percentage(%)
Grade 12 or Lower	46	13.57
Certificates	38	11.21
Diploma	70	20.65
Degree	126	37.17
Post Graduate Degree	59	17.40
Total	339	100

Table 4.4: Academic qualifications distribution

Tech companies are usually comprised of employees that perform a different range of tasks at different workstations hence different academic qualifications. This difference might contribute to differences in the responses given by the respondents. Table 4.4 shows the respondents' academic qualifications distributions. The responses showed that 37.17% of the employees at the organization have completed at least a University degree. Followed by a group of employees that have completed University diplomas representing 20.65% and employees with University postgraduate degrees representing 17.40%, and then the group of employees with certificates and Grade 12 or lower with 13.57% each.

4.3.3 Nature of Work

	Frequency	Percentage(%)
Managerial	24	7.08
Clerical/Admin	78	23.01
Technical	178	52.51
Other	59	17.40
Total	339	100

Table 4.5: Nature of work distribution

The nature of decisions involving M&A and employee welfare in any given institution is vested in the management staff distributed in various departments in such an organization. As such, the study sought to establish the respondents' distribution according to their work nature. The results are depicted in Table 4.5. The responses show the distribution of the

4.4 Current Levels of Employee Job Satisfaction

nature of work at Reservations Request Inc., where almost according to respondents, 52.51% performs some type of technical work, 23.01% performs some type of clerical or administrative work, and managerial and other types of work, 7.08% and 17.40%, respectively.

4.3.4 Years of Service at the Organisation

	Frequency	Percentage(%)
0 - 2	125	36.87
3 - 5	119	35.11
6 - 10	40	11.80
10 +	55	16.22
Total	339	100

Table 4.6: Years employed at the company

The length of service/working in an organization determines the extent to which one is aware of the issues investigated by the study. The study therefore tried to establish the length of time that the respondents had been working at Reservations Request Inc. The results of this question are presented in Table 4.6.

The distribution of employment at the company shows that 71.98% of employees are at the company for 5 or fewer years, and if the look deeper in the group half that group, 36.87% to be precise are employees between 0 and 2 years at the company and the other 35.11% are employed between 3 to 5 years. 16.22% of the respondents have been employed for over 10 years, and the remaining 11.80% are employed for a period between 6 and 10 years. These results show that the majority of Reservations Request Inc. employees have been working at the company for enough time to understand the issue being investigated by the study.

4.4 Current Levels of Employee Job Satisfaction

One of this study's objectives was to assess employee job satisfaction levels after the merger. This section therefore involves an analysis of the various aspects of the merger that might have influenced employee satisfaction at Reservations Request Inc. As such, the study sought to establish. Specific factors were used in the questionnaire to examine the levels of satisfaction. Below is a breakdown of the factors and the respondents' responses to them in the questionnaires.

4.4.1 Work Related Needs

	Frequency	Percentage(%)
Very Satisfied	30	8.85
Satisfied	189	55.72
Neutral	40	11.80
Dissatisfied	80	23.60
Total	339	100

Table 4.7: Work related needs

Table 4.7 shows that respondents are very happy with regard to their work-related needs, with over 60% indicating that they were either satisfied or very satisfied. 23.60% indicated to be dissatisfied with their work needs, and 11.80% were neutral to this factor, which subscribes to the fact that employees tend to be unhappy/dissatisfied during the merger process, at Reservations Request Inc., work-related needs are one of the items with over a third of employees indicating so in their responses.

4.4.2 New Roles in the Organization

	Frequency	Percentage(%)
Very Satisfied	51	15.04
Satisfied	89	26.25
Neutral	139	41.01
Dissatisfied	40	11.80
Very Dissatisfied	20	5.90
Total	339	100

Table 4.8: New roles in the organization

With regards to the aspect of new roles in the organization as a result of the merger, 41.01% of respondents were neutral to the subject, and a combined 41.29% were either satisfied or very satisfied with the subject, perhaps indicating that respondents did not feel their roles changed much after the merger, as summarized in Table 4.8. This is one of the main aspects indicated to influence the satisfaction levels in the literature, as pointed out in the study by Smit *et al.* (2011).

4.4 Current Levels of Employee Job Satisfaction

	Frequency	Percentage(%)
Very Satisfied	41	12.09
Satisfied	50	14.75
Neutral	48	14.17
Dissatisfied	30	8.85
Very Dissatisfied	170	50.15
Total	339	100

Table 4.9: Remuneration

4.4.3 Remuneration

Remuneration is the factor respondents were most dissatisfied with, with 50.15% answering that they were very dissatisfied, and 8.85% indicating to be dissatisfied. 14.17% is neutral to the subject, and the remaining 26.84% very either satisfied or very satisfied. Table 4.9 summarizes the responses from the questionnaire. It is the factor with the biggest dissatisfaction level, possibly indicating respondents are not happy with new the new environment, and the prospect of changing cities. As pointed out in the study by Inuwa (2016), compensation factors may greatly affect the level of satisfaction at work, and therefore impact the organisation's performance.

4.4.4 Management/Leadership Within Your Department

	Frequency	Percentage(%)
Very Satisfied	39	11.50
Satisfied	159	46.91
Neutral	67	19.76
Dissatisfied	33	9.74
Very Dissatisfied	41	12.09
Total	339	100

Table 4.10: Leadership within the department

46.91% were satisfied with the leadership in their own department, and a further 11.50% were very satisfied. Management support is needed when new employees join the company. They need to know that they are appreciated and valued as part of the company. It was perhaps exacerbated by the fact that most employees in the company have been there for a relatively short period of time. Table 4.10 summarizes the responses to the factor.

4.4.5 Company Culture/Policies

	Frequency	Percentage(%)
Very Satisfied	120	35.40
Satisfied	190	56.05
Neutral	29	8.55
Dissatisfied	0	0
Very Dissatisfied	0	0
Total	339	100

Table 4.11: Company Culture

An overwhelming majority of respondents, 91.45%, were happy with the company culture at the organization, and respondents did not indicate any level of dissatisfaction with regard to the company policies, which is not uncommon since two previous divisions, although they were run independently, were part of the same parent organization, as is most cases of Horizontal mergers. Table 4.11 summarises the above factor responses from the questionnaire.

4.4.6 Availability of Resources to Perform the Job

	Frequency	Percentage(%)
Very Satisfied	98	35.10
Satisfied	119	28.91
Neutral	73	21.53
Dissatisfied	49	14.46
Very Dissatisfied	0	0
Total	339	100

Table 4.12: Availability of Resources

64.01% of respondents were satisfied with the resources available to complete their jobs. This might be validated by the fact over 50% is also happy with the management within their department, depicted in Table 4.12. These results can also be explained by the tape of the merger the study refers to, as pointed [Gaughan \(2017\)](#).

4.4 Current Levels of Employee Job Satisfaction

	Frequency	Percentage(%)
Very Satisfied	87	25.67
Satisfied	123	36.28
Neutral	115	33.92
Dissatisfied	10	2.95
Very Dissatisfied	5	1.18
Total	339	100

Table 4.13: Co-worker Support

4.4.7 Co-worker Support

Respondents indicated being satisfied with the levels of recognition and support they get from their co-workers, with a combined 61.95% indicating to be satisfied or very satisfied. The remaining 38.05% was neutral to the factor and no indication of dissatisfaction by the respondents. Results are summarised in Table 4.13.

4.4.8 Work Responsibilities

	Frequency	Percentage(%)
Very Satisfied	98	28.91
Satisfied	105	30.97
Neutral	102	30.09
Dissatisfied	30	8.85
Very Dissatisfied	4	1.18
Total	339	100

Table 4.14: Work Responsibilities

The majority of the respondents were happy with the responsibilities they currently have, with a combined 59.88% answering that they were either satisfied or very satisfied, 30.09% indicated a neutral answer, and the remaining 10.03% respondents were dissatisfied or very dissatisfied. Complete results are summarised in Table 4.14.

4.4.9 Independence Within the Team/Department

Overall, respondents were not satisfied with their level of independence within their departments, with 46.9% indicating that they are dissatisfied or very dissatisfied. 13.87% was neither satisfied nor dissatisfied, and the remaining 39.23% indicated to be dissatisfied.

4.4 Current Levels of Employee Job Satisfaction

	Frequency	Percentage(%)
Very Satisfied	59	17.40
Satisfied	74	21.83
Neutral	47	13.87
Dissatisfied	57	16.81
Very Dissatisfied	102	30.09
Total	34	100

Table 4.15: Independence with the team/department

The results summarized in Table 4.15, are in accordance with the study published by Yakubu & Panteleo (2016), which found that team/departmental integration is one of the areas most impacted by mergers, and employees tend to demonstrate low levels of satisfaction towards this aspect, and in Reservations Request Inc.'s case, the same seems to be happening.

4.4.10 Descriptive Statistics on Employee Job Satisfaction

	Mean	Std. Deviation
Work-related needs	3.41	1.03
New roles in the organization	3.35	1.08
Remunerations	2.06	1.30
Management/Leadership within your department	3.94	0.73
Company culture	3.59	1.33
Moral values/ethical behaviour	4.24	0.64
Company policies	3.82	0.92
Availability of resources to perform your job	4.06	1.26
Co-worker support	3.88	0.90
Recognition	3.76	1.06
Responsibilities	3.82	0.78
Independence within your team	2.12	1.32
Total	339	100

Table 4.16: Descriptive statistics of employee job satisfaction

In general, the respondents were required to indicate their current levels of the various aspects of employee job satisfaction, and according to the study, the majority of the respondents showed moderate to high levels of job satisfaction, in relation to the aspects asked in the study, as depicted in Table 4.16, the three aspects respondents indicated to be least satisfied with, were their current remuneration/pay, which had the lowest score out of all

4.5 Identification of Change Management Strategies

the aspects, with a mean score of 2.06 followed by the levels of independence within their own team with a mean score of 2.12 and the new roles in the organization after the merger, with a mean score of 3.35.

4.5 Identification of Change Management Strategies

The study's second objective was to identify the change management strategies used by Reservations Request Inc. to deal with the changes resulting from the merger. Therefore, the study respondents were asked about change management strategies in the 3rd section of the questionnaire, and the results are presented below.

4.5.1 Strategy Identification

To the best of your recollection, what were the change strategies described to you? Were you aware of the change strategies?

	Frequency	Percentage(%)
Yes	149	43.95
No	190	56.05
Total	339	100

Table 4.17: Strategy identification

	Frequency	Percentage(%)
Described the strategy	71	20.94
Not able to describe the strategy	268	79.06
Total	339	100

Table 4.18: Strategy description

When respondents were questioned, "*Were you aware of the change strategies?*", only 44.12% of respondents answered yes to the question, which could indicate that most employees could not or would not remember the debrief process for the change, as depicted in Table 4.17. Out of the 44.12% who answered yes to the question, only 90 respondents were able to describe the strategies they were debriefed on, representing a low 20.58% of the valid questionnaires, as illustrated in Table 4.18, which also showed a high response rate among all senior positions of the company, as illustrated on Figure 4.1, perhaps indicating also that while the management of the company was aware of what and how the change was

4.5 Identification of Change Management Strategies

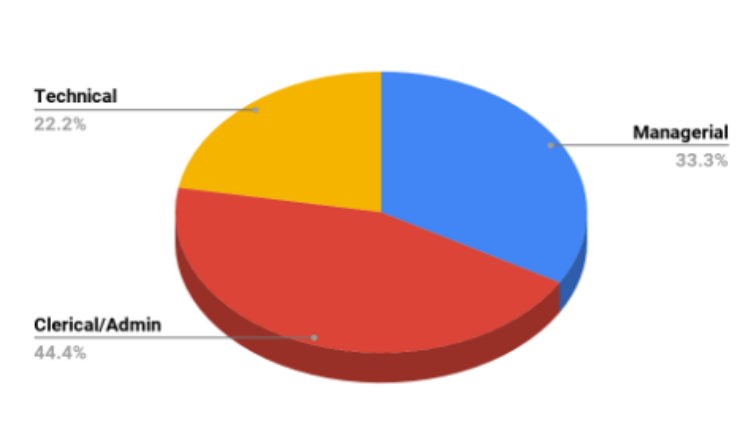


Figure 4.1: Function of respondents who could identify change strategy

being prepared, the rest of the company was not so much. Further in the questionnaire, respondents were also asked to describe the change strategy, and this is how most of them resumed the strategy (Questionnaires administered, 2019):

- Meetings with regards to the move were being held, every two weeks, a year prior to the merger, involving the directors and all shareholders;
- The directors would meet every week, with heads of departments, and team leaders to discuss the matters from directorship/shareholders meetings;
- The resolutions from the heads of department meetings would be passed along to the rest of the team members, and a document of the change process, was created, where tips, dos and don'ts were being added as the process moved forward;
- The document was internally called, "Change Policy Document", the document contained, procedures, policies, timelines, norms, etc.;
- Closer to the merger, date, a "Change Officer" was appointed by the heads of departments and team leaders, who would be responsible for a smooth roll-out of the changes. In this particular instance, two change officers were appointed, the director representing the services branch and the technical team leader representing the technical branch;

Based on what respondents described, the strategies applied would fall in line with several change strategies, but perhaps it would be identified with Luecke's 7-Step model of

4.6 Impact of Change Management Strategies on Satisfaction Levels Rate

change (Luecke (2003)), as the merger at Reservations Request Inc. was characterized by incremental discontinuation and incremental continuation of the change aspects.

4.6 Impact of Change Management Strategies on Satisfaction Levels Rate

	Frequency	Percentage(%)
Highly agree	260	76.70
Agree	53	15.63
Neutral	22	6.49
Disagree	4	1.18
Highly Disagree	0	0
Total	339	100

Table 4.19: When asked about being happy about the merger

	Frequency	Percentage(%)
Highly agree	123	36.28
Agree	88	25.96
Neutral	98	28.91
Disagree	19	5.61
Highly Disagree	11	3.25
Total	339	100

Table 4.20: When asked about if the merger positively impacted their jobs

	Frequency	Percentage(%)
Highly agree	201	59.29
Agree	50	14.75
Neutral	14	4.13
Disagree	23	6.79
Highly Disagree	51	15.04
Total	339	100

Table 4.21: When asked about being happy with the merger timeline

Objective III) of the study was to assess the impact of change on employee job satisfaction. As such, in section 4 of the questionnaire, respondents were asked questions about the process's after-the-merger aspect.

4.6 Impact of Change Management Strategies on Satisfaction Levels Rate

	Frequency	Percentage(%)
Highly agree	143	42.18
Agree	72	21.24
Neutral	72	20.94
Disagree	46	13.57
Highly Disagree	7	2.07
Total	339	100

Table 4.22: Impact of new policies and procedures on their job satisfaction

When asked about the following statement: *"You were happy when you were informed about the merger"*, the overwhelming majority of respondents, 92.33%, agreed or highly agreed with the statement, as depicted in Table 4.19, and 74.04% indicated to be happy with the timeline of the merger, as depicted in Table 4.20. Indicating that respondents were satisfied/happy with the merger timeline they were presented with by the organization.

Although 92.33% respondents indicated to were happy about the merger, it is worth noting that only 62.24% agreed that the merger has had a positive impact on their jobs, a significant number of respondents were neutral, indicating that perhaps the tasks they performed were not affected by the merger, and 8.86% disagreed with the statement, this indicating that majority of the respondents have seen the merger as positively impacting their day-to-day jobs.

When asked whether the new policies and procedures have affected their satisfaction at work, 63.42% of the respondents answered yes, which goes in accordance with the fact that 62.24% said that the change successfully affected their jobs, 28.91% were neutral, indicating that the changes did not affect their performance, as depicted in Table 4.22.

Respondents reiterated after the merger, the remunerations/financial aspect of their perceived satisfaction was greatly affected, with a mean score of 4.41, the highest score, followed by the responsibilities and independence within the team with a mean score of 3.65, and the new roles that were formed in the organization with a score of 3.5.

Results in Table 4.23, reiterated what respondents had indicated in terms of factors that they are more dissatisfied with, and their indication that those same factors were the ones most affected by the merger, indicates that their dissatisfaction levels with them, are due to the merger and not any other aspect of their jobs, aligning which might also indicate propensity of employees to resist the changes, as indicated by Mullins (2007), inconvenience

and loss of freedom, economic implications are two of the reasons why employees resist change.

4.7 Conclusion

This chapter presented an analysis of the data from the questionnaires sent to Reservations Request Inc. employees, with interpretation and discussions of the results. It included a breakdown of the demographic information of the respondents, and a breakdown of the levels of satisfaction levels according to certain aspects of their job, and described the change strategy Reservations Request Inc. used, according to its employees' responses and also provided the changes in satisfaction levels. Overall, respondents showed moderate levels of satisfaction, with the exception of factors such as remuneration/compensation, independence in their respective teams/departments, the formation of new roles in the organization that scored the lowest amongst the factors the study measured, which was later validated by respondents when asked to indicate which aspects of their jobs were mostly affected by the merger. The change management strategy was also identified and described, based on respondents' answers, and the study hypotheses were also tested. More discussions and conclusions on the findings from the collected data will be presented in the next chapter.

	None	Slightly	Neutral	Greatly	Very Greatly	Mean	Std. Deviation
New roles in the organization	29	48	62	127	73	3.5	1.26
Remunerations	0	0	44	119	176	4.41	0.71
Management/leadership within your department	21	109	99	63	47	3.03	1.17
Company culture/policies	62	119	101	50	7	2.38	0.99
Availability of resources to perform your job	23	96	98	78	50	3.12	1.17
Co-worker support/recognition	29	140	50	70	50	2.91	1.26
Responsibilities and independence within your team	19	60	60	80	120	3.65	1.30

Table 4.23: Areas affected by the change

Chapter 5

Conclusions and Recommendations

5.1 Introduction

This is the fifth and final chapter of this study, and the chapter presents a summary of the findings, conclusions and recommendations, based on the objectives of the study identified in **Chapter 1**. The consolidated data of the study will be interpreted against the background of the existing theoretical framework. This chapter will also present suggestions for future studies encountered during the research process.

5.2 Findings from the Study

The relationships between organizational mergers and job satisfaction were explored, using Reservations Request Inc. as a case study, and findings of the study in relation to the literature and findings of the primary research are laid out in the following section.

5.2.1 Findings from the Literature Review

From the literature, mergers were found to affect employee satisfaction and performance levels to a certain extent. M&As are often associated with various effects on the human resource side of the process. As argued by [Gaughan \(2017\)](#), M&As reinforce existing capabilities and access a new set of valuable capabilities, which is difficult to imitate and is not widely available and integrated in an indivisible part of another firm. These capabilities include the desire to increase the size of the organization to ensure it reaps the benefits of enhanced economies of scale; business combination also leads to diversification, particularly where the two companies have different income streams, increasing the company's market competitiveness, thus, being in a position to fend off competition. The latter is in line with the listed reason for the merger, by the organization's management and directorship. When organizations have to restructure themselves after an M&A, and usually that means that some personnel will need to be laid off, it is generally acknowledged that the amount of money added for employee retention is often considered part of the cost of the M&A deal, gladly in Reservations Request Inc. case, this was not the case, as management considered the merger as a tool for growth. Employee compensation and communication issues

are all factors that literature has shown to impact employee satisfaction in a post-merger environment, and this research found that employees felt somewhat their roles in the organization were affected, and some even went further to indicate being dissatisfied with how the merger was conducted and was communicated, a position that aligns with the findings of Inuwa (2016), that found that factors of compensation greatly affect satisfaction at work after a merger and acquisition and that if these aspects are not addressed, they can lead to such dysfunctional outcomes as stress, low trust in the organization and commitment to its vision, and increased intentions to leave the organization. Employees who work in pre and post-merger environments may feel a strong threat to their job security while continuing to work in such environments. Anitha (2014) found empirically that the greater the number of changes in an organization, the greater the perceived insecurity by the employees and in turn, this perceived insecurity is negatively related to organizational commitment, trust in the organisation, job satisfaction, and job performance. In this study, employees' new roles, independence and responsibilities were part of the factors used to measure satisfaction levels in the organization in the post-merger setting, this study did not investigate insecurity levels, but the fact that 58.8% of employees indicated that the merger greatly impacted their roles in the organization might be a cause for concern, from Reservations Request Inc.'s management point of view, and this results indicated that communication programme was not as efficient as it was intended. In general, merging organizations involves a high level of coordination, communication amongst all involved parties, and making tough choices such as the redesign of roles and responsibilities, and sometimes whole departments in the resulting organization.

5.2.2 Findings from the Primary Research

This study found that the organisation's satisfaction level since the merger was above average overall. As a result of the merger, employees indicated being satisfied, and happy with aspects of their job, such as the availability of the resources to perform their work, and the moral and ethical behaviour in the organization, and they also indicated not being satisfied with factors such as their remuneration levels, their independence within their teams and their new roles in the organization. From the findings, remuneration and pay are the factors from which employees are least satisfied. 88.24% of respondents, as illustrated in Table 4.23, reported that remuneration/financial factor was either greatly or very greatly affected by the merger, perhaps due to the fact that most employees moved to a location

with a relatively higher cost of living and felt the need to have their remuneration packages adjusted accordingly.

Employees also indicated that Reservations Request Inc.'s management, had indicated to their strategies on how Reservations Request Inc. intended to deal with the merger process and the eventual hiccups of it, with almost 60% stating that they were given briefs of the strategy prior to, during or after the merger. The study also found that almost 80% of employees were not able to describe the strategy of the merger, which the researcher would explain the high levels of dissatisfaction with regard to their new roles and dynamics within their teams, and they would not understand the changes in the micro perspective of things, and from those employees who were able to describe the strategy, the researcher found that the strategy described was in line with Luecke's Seven Step model of change, further validated by the adoption of incremental discontinuation and incremental continuation of the change aspects by Reservations Request Inc.

The aspects mostly impacted by the change, are the ones the employees also showed to be most dissatisfied with, as they felt that the merger mainly affected them financially and the new roles they are executing in the organization as a result of the changes made in their working situation.

5.3 Conclusions

5.3.1 Conclusion on the Current Levels of Job Satisfaction

As indicated in the research findings, the overall levels of job satisfaction at Reservations Request Inc. were above average, with different levels of job satisfaction varying for each employee depending on their perception of how they understand and value their jobs. It's clear that remuneration/compensation plays an important role in the employee's perception of satisfaction at work and in their personal life, with over 60% of respondents indicating not being happy with that aspect of their work.

5.3.2 Conclusion on the Assessment of the Impact of Change Management on Job Satisfaction

Based on this research, it is advised that management should be trained in managing change because, without the right leadership, it will most certainly fail. Most importantly, management needs to realise that people do not leave the organization because they are not getting

enough pay. People sometimes leave because of their managers. Although Reservations Request Inc. had a plan to guide employees through the merger process, all but 1 employee indicated dissatisfaction with at least one factor this study investigated.

Employers, in general, should recognise that employees are all diverse individuals from different backgrounds with the same core interest in the organization they work for. It is important to manage this diversity with the understanding that diversity and different ethical values are not just issues to be dealt with, but can also be incorporated into a strategy to build a strong organisation. Most importantly, management needs to understand that its employees are an organisation's most important resource. When employees are dissatisfied with their jobs, it will most certainly have an impact on the organisation's bottom line one way or the other. In a small but meaningful way, this study could motivate Reservations Request Inc. and any other small Tech company looking to engage in merger and acquisition to pay attention to human factors that are deemed by employees to generate dissatisfaction at work.

5.4 Recommendations

This research was aimed at understanding the reasons behind employees' dissatisfaction at Reservations Request Inc. so that recommendations could be provided on how to reduce employee dissatisfaction within the organization, providing also a chance to give management some guidelines on what and how they can improve on in that regard so that in the eventual scenario of another merger and/or acquisition occurs at the organization. These recommendations have been concentrated on how to implement a successful merger, taking into account the human factor of job satisfaction during the process:

- I) The organizations merging could provide training within the organization and, most importantly, make employees aware that the training facilities and programmes are available to them, and during induction of new staff members, they should be introduced to the person responsible for the training programmes;
- II) The Human Resources/Capital department should raise awareness of the opportunities available within the resulting organization and show the employees what makes the newly formed organization a great company to work for and advance their respective careers. This should enhance the employees' knowledge and understanding of the

organization and prompt them to feel that they are working for a better organisation, in essence, making them happy and satisfied employees;

- III) Employees and management should work together to embrace the new dynamic and diverse culture of the resulting organisation, because culture has a big impact in shaping the people within the organisation and, as a result, its people;
- IV) Create rewards incentives or programmes for employees leading the change efforts to celebrate and recognise these employees.

5.4.1 Recommendations for Further Studies

This study has explored the effects of mergers and acquisitions on employee job satisfaction, focusing on the case study at Reservations Request Inc., Durban, Kwa-Zulu Natal and has identified remuneration, independence within the teams/departments and the resulting new roles in the organization as factors employees are least satisfied with and were most impacted by the merger at Reservations Request Inc. There are more software and IT service provider organisations who have opted to merge as well, be it in Kwa-Zulu Natal or throughout South Africa. To this extent, a further study should be carried out to establish how other organizations can nurture the mergers and acquisitions at large, the influences of mergers and acquisitions on employee satisfaction levels, how these organizations managed their respective changes, and the resulting impact in the overall performance of these organizations.

5.5 Study Conclusion

Based on the Reservations Request Inc. customer reports, post-merger, it was clear that employees were affected by the changes, more than first anticipated by Reservations Request Inc.'s management, and based on the literature, it was all clear signs of post-merger issues. After investigating the possibility of the merger affecting satisfaction levels, the study showed that employees were dissatisfied with some aspects of their work. A comparison of the findings of this study with current literature was done in this section, as what Reservations Request Inc. is experiencing is in line with what has been reported. The study arrived at a conclusion and could make some humble recommendations.

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Appendix A

Employee Questionnaire

Hello Dear Madam/Sir,

This research forms part of my **M.B.A** studies at the **Regent Business School**.

This research explores the effect that mergers and acquisitions have on employee performance. Your participation will contribute towards the pool of knowledge towards a better understanding of two constructs as well as the possible influence each construct might have on the other, if any.

There are no right or wrong, good, better or worse answers. There are no answers more desirable than others. What matters, is that you answer what you believe to be real in your work situation.

Your identity will remain undisclosed, and the results of this survey will only be used for research purposes. Please **DO NOT** put your name on this questionnaire.

Kindly answer each question and reflect on your truth when doing so. Indicate your true choice by ticking the appropriate box and giving written answers to the necessary questions.

Kind Regards,

Carlos Pambo

A.1 Section 1 - Biographical Information

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Age	< 24	25 - 29	30 - 35	36 - 40	41 - 45	46 - 49	50+
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Gender	Yes	No
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Highest academic qualification	Grade 12	Diploma	Degree	Postgraduate
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Type of work background	Managerial	Clerical/Admin	Technical	Other
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How many years are you working at the company	0 - 2	3 - 5	5 - 10	10+
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A.2 Section 2 - Satisfaction Evaluation

- To ascertain the current levels of employee job satisfaction.

1 - Highly Dissatisfied | 2 - Dissatisfied | 3 - Neutral | 4 - Satisfied | 5 - Highly Satisfied

Questions	1	2	3	4	5
Work-related needs					
New roles in the organization					
Remunerations					
Management/leadership within your department					
Company culture					
Moral values/ethical behaviour					
Company policies					
Availability of resources to perform your job					
Co-worker support					
Recognition					
Responsibilities					
Independence within your team					

A.3 Section 3 - Change Management Strategy

A.3 Section 3 - Change Management Strategy

- To identify change management strategies in place at Reservations Request Inc. during the merger.

Questions	Yes	No
Were you made aware of any strategies to deal with changes in the post-merger environment?		

- If yes, to the best of your recollection, what were the change strategies described to you?

1 - Highly Disagree | 2 - Disagree | 3 - Neutral | 4 - Agree | 5 - Highly Agree

Questions	1	2	3	4	5
The change strategies were appropriate for your particular work situation					
Do you agree with the strategy/rationale behind the merger given to you					
Do you agree that the merger process was worth undertaking?					

A.4 Section 4 - Impact of Change Management

- To assess the impact of change management on employee job satisfaction levels after the merger.

1 - Highly Disagree | 2 - Disagree | 3 - Neutral | 4 - Agree | 5 - Highly Agree

Questions	1	2	3	4	5
You were happy when you were informed about the merger					
The merger positively affected your work					
You are happy with the culture fit in the new environment					
The policies and procedures in place after the merger have improved your performance					

- Indicate the areas where this change management process has impacted your satisfaction at work.

1 - None | 2 - Slightly | 3 - Neutral | 4 - Greatly | 5 - Very Greatly

A.4 Section 4 - Impact of Change Management

Questions	1	2	3	4	5
New roles in the organization					
Remunerations (financially)					
Management/leadership within your department					
Company culture/policies					
Availability of resources to perform your job					
Co-worker support/recognition					
Responsibilities and independence within your team					
Other					