In this research on organizational merger we have adopted an intergroup perspective and theory of social identity as a way to take into account the dynamics of a merger process. In this study we use the term affective commitment to measure the social identification. Affective commitment has been shown to have the strongest relations to employee's behavioural outcomes and appears to be the best predictor in organizational contexts. We will examine the effect of organizational merger on employees' social identification at the organizational level, and use the affective commitment as an indicator of social identification. In a situation where two separate companies merge to form one company, the division between "us" and "them" becomes then more pronounced for the employees. In experimental conditions it has been shown that when merging groups have equal status, the identification with the organization is higher compared to a situation where the other group has inferior status.

The data for this study was collected in the autumn of 2000 from a newly formed company that had undergone a merger. The study concerned a merger of two pulp and paper industry corporations, one originally from Sweden and the other from Finland. The merger could be defined as a subsidiary merger in legal terms. Altogether 1672 employees participated in this study (response rate 65% in Finland and 68% in Sweden). The merger integration pattern would be blend. Altogether 1672 employees participated in this study (response rate 65% in Finland and 68% in Sweden). We used the independent samples t-test as a preliminary way of comparing the original companies and personnel groups with regard to affective commitment, the effects of the mergers and organizational change.

We found that the employees in the companies that had undergone a merger had experienced the merger process differently. Against our expectations there were significant differences in the two pre-merger organizations. The experienced great effects of merger were associated in low levels of affective commitment in employees of the Swedish pre-merger company. The opposite was true for the employees of the Finnish pre-merger company. This finding was accentuated by the fact that the general organizational change did not have such a distinction in the association.

The white-collar workers were affected more by the merger in both companies, but white-collar workers were affected by the effects of the merger more negatively than by blue-collar workers only in Finland. All the findings imply that the merger was not "between equals" in the view of employees. There are four points in the formal structure of the merger that could undermine the equality in the views of employees. These can be claimed as minor facts, but probably big enough to trigger the "us" and "them" –thinking that is often prevalent in merger situations. The unexpected result of this study was that the merger had negative effects on employees' social identification in the Swedish pre-merger company compared to the positive effects in the Finnish pre-merger company. This raises doubts over the assumption that the merger was made between equal partners.


Avainsanat-Nyckelord-KeyWords
mergers
social identification
affective commitment

Säilytyspaikka-Förvaringsställe-Where deposited
Muita tietoja-Övriga uppgifter-Additional information