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**ORGANISATIONAL CITIZENSHIP AND THE POST-ACQUISITION OF A GLOBAL
HOTEL BRAND**

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Submitted in fulfilment of the requirements for the degree:

Master of Commerce: Strategic Management

University of Johannesburg

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Declaration

I declare that this work is original and my own work with sources of knowledge indicated by references and is submitted in fulfilment of the degree Master of Commerce in Strategic Management at the University of Johannesburg.

Signature: _____

Date: _____



Abstract

The purpose of this study was to examine the power of organisational support, brand satisfaction and brand trust on the organisational citizenship for employees in the post-acquisition integration of a global hotel brand. This was conducted through theoretical and empirical objectives. The development of a conceptual model framework paved the way for the postulation of five hypotheses. To put the proposed research model and hypotheses to the test, data was collected in South Africa, in particular, a hotel group that was newly acquired, with hotels spreading through sub-Saharan Africa.

This study used quantitative research methodology. A data collection tool was used to be able to measure data on a scale with a numerical value that was then subdivided into the various elements of the surveying measuring instrument. Descriptive statistics was used to measure and determine the strength of the relationship between the dependent variables and the independent variables to test the developed hypotheses in question. The total usable sample size was 235.

As consequence, the findings of this research indicate that organisational support can have a strong influence on brand trust and brand satisfaction but only indicates that organisational citizenship is influenced by organisational support via brand satisfaction and not directly, nor via brand trust. Managerial implications of this research are discussed with limitations and future research advised. This research contributes new knowledge to the body of strategic management literature in Africa.

Keywords: organisational support, brand trust, brand satisfaction, organisational citizenship, post- acquisition integration, mergers and acquisitions, strategic management.

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Dedication

This research is dedicated to the discipline of Strategic Management, to push boundaries through uncharted waters



Table of contents

Declaration.....	i
Abstract.....	ii
Acknowledgments.....	iii
Dedication.....	iv
Table of contents.....	v
List of tables	x
Table of figures.....	xi
CHAPTER 1 ORIENTATION AND BACKGROUND TO THE STUDY	1
1.1 INTRODUCTION AND BACKGROUND TO THE STUDY	1
1.2 PROBLEM STATEMENT	3
1.3 OBJECTIVES OF THE STUDY	4
1.3.1 Primary Objective	5
1.3.2 Theoretical Objectives	5
1.3.3 Empirical Objectives	5
1.4 CONCEPTUAL MODEL.....	6
1.5 Hypotheses Statement.....	6
1.6 RESEARCH DESIGN AND METHODOLOGY.....	7
1.6.1 Research Design	7
1.6.2 Quantitative Research	7
1.6.3 Sampling Design.....	7
1.6.4 Target Population	7
1.6.5 Sampling Frame	8
1.6.6 Sample Size.....	8

1.6.7 Sampling Technique	8
1.7 OPERATIONALISATION OF THE MEASUREMENT INSTRUMENTS.....	8
1.8 DATA COLLECTION METHOD AND PROCEDURE	9
1.9 DATA ANALYSIS	9
1.10 RELIABILITY AND VALIDITY	10
1.11 ETHICAL CONSIDERATIONS.....	10
1.12 DEFINITION OF KEY TERMS	10
1.13 OUTLINE OF THE STUDY	11
1.14 CONCLUSION.....	12
CHAPTER 2 LITTERATURE REVIEW	13
2.1 INTRODUCTION	13
2.2 DEFINING STRATEGY.....	13
2.3 MODERN ORGANISATIONAL STRUCTURES.....	14
2.3.1 Network Structure	14
2.3.2 Licensing.....	16
2.4 MERGERS AND ACQUISITIONS.....	16
2.4.1 M&As and the global market.....	17
2.4.2 M&As – The Post-Acquisition Integration	18
2.4.3 M&As and Investment Decisions	20
2.5 CLASSIFYING ACQUISITIONS.....	21
2.6 ACQUISITION STEPS	23
2.7 POST-ACQUISITION INTEGRATION	24
2.8 THE NATURE OF POST-ACQUIRED INTEGRATION	26
2.9 CULTURAL INTEGRATION.....	27
2.10 CHANGE MANAGEMENT	29
2.11 THE HOSPITALITY INDUSTRY	31
2.12 POST-ACQUISITION INTEGRATION IN THE HOSPITALITY INDUSTRY ..	34

2.13 CONCLUSION	36
CHAPTER 3 CONCEPTUAL MODEL AND HYPOTHESES DEVELOPMENT	38
3.1 INTRODUCTION	38
3.2 CONCEPTUAL MODEL.....	38
3.3 EMPIRICAL REVIEW.....	39
3.3.1 Organisational Support	39
3.3.2 Brand Satisfaction.....	43
3.3.3 Brand Trust.....	46
3.3.4 Organisational Citizenship	48
3.4 HYPOTHESES DEVELOPMENT	51
3.4.1 Organisational Support and Brand Satisfaction	52
3.4.2 Organisational Support and Brand Trust	52
3.4.3 Brand Satisfaction and Organisational Citizenship	53
3.4.4 Brand Trust and Organisational Citizenship.....	54
3.4.5 Organisational Support and Organisational Citizenship.....	54
3.5 CONCLUSION.....	55
CHAPTER 4 RESEARCH STRATEGY AND METHODOLOGY	57
4.1 INTRODUCTION	57
4.2 RESEARCH STRATEGY.....	57
4.3 RESEARCH APPROACH.....	57
4.4 SAMPLING	58
4.5 TARGET POPULATION	59
4.6 SAMPLING FRAME	59
4.7 SAMPLE SIZE	59
4.8 SAMPLING TECHNIQUE	60
4.9 OPERATIONALISATION OF THE MEASUREMENT INSTRUMENTS.....	60
4.10 DATA COLLECTION METHOD AND PROCEDURE.....	60

4.11 DATA ANALYSES.....	61
4.12 DESCRIPTIVE STATISTICS	61
4.13 RELIABILITY AND VALIDITY	62
4.14 STRUCTURAL EQUATION MODELLING (SEM)	63
4.15 CONCLUSION	65
CHAPTER 5 INTERPRETATION AND PRESENTATION OF RESULTS	66
5.1 INTRODUCTION	66
5.2 EMPIRICAL RESEARCH OBJECTIVES.....	66
5.3 DESCRIPTIVE STATISTICS	66
5.3.1 Section A – Demographics	67
5.3.2 Subsections of the questionnaire.....	71
5.3.3 Means and Standard Deviations.....	73
5.4 RELIABILITY AND VALIDITY	76
5.4.1 Reliability	76
5.4.2 Validity	78
5.5 STRUCTURAL EQUATION MODELING (SEM) ANALYSIS AND CONFIRMATORY FACTOR ANALYSIS (CFA)	80
5.5.1 Results of SEM Statistical Analysis and CFA	83
5.6 The Structural Model and Hypotheses Testing	89
5.7 HYPOTHESES STATEMENTS TESTED	91
5.7 CONCLUSION	93
CHAPTER 6 CONCLUSION AND RECOMMENDATIONS.....	94
6.1 INTRODUCTION	94
6.2 RESEARCH CONCLUSION	94
6.3 SIGNIFICANCE OF THE STUDY	95
6.3.1 Future academic contribution.....	95
6.3.2 Practitioner contribution	95

6.4 LIMITATIONS AND FUTURE RESEARCH.....	96
6.5 RECOMMENDATIONS.....	97
6.6 CONCLUSION	98
REFERENCES.....	99
Annexure 1 – Covering letter	113
Annexure 2 – Questionnaire	114



List of tables

Table 5.1: Demographic information	67
Table 5.2: Questionnaire Averages	72
Table 5.3: Descriptive Statistics: Brand Satisfaction N = 235	73
Table 5.4: Descriptive Statistics: Brand Trust N = 235	74
Table 5.5: Descriptive Statistics: Organisational support N = 235	74
Table 5.6: Descriptive Statistics: Organisational Citizenship N = 235	75
Table 5.7: Reliability Statistics Brand Satisfaction	76
Table 5.8: Reliability Statistics Brand Trust	77
Table 5.9: Reliability Statistics Organisational Support	77
Table 5.10: Reliability Statistics Organisational Citizenship	78
Table 5.11: Discriminant Validity Correlations	79
Table 5.12: Diagrammatic Representation of Average Variance Extracted Calculations	79
Table 5.13: Model Fit Indices first attempt	84
Table 5.14: Model Fit Indices second improvement	85
Table 5.15: Model Fit Indices third improvement	86
Table 5.16: Path coefficients and p-values	91
Table 5.17: Summary of hypotheses testing results	91

Table of figures

Figure 1.1: Conceptual model	6
Figure 2.1: Factors of post-acquisition integration.....	19
Figure 2.2: Factors that make a country an attractive destination for M&As	20
Figure 2.3: Forms of Acquisitions.....	24
Figure 3.1: The Research Conceptual model.....	39
Figure 3.2: Constructs of Organisational Support.....	41
Figure 3.3: Constructs of Brand Satisfaction	45
Figure 3.4: Constructs of Brand Trust	48
Figure 3.5: Constructs of Organizational Citizenship	51
Figure 5.1: Gender	68
Figure 5.2: Employees that previously worked for the company	68
Figure 5.3: Age Grouping.....	70
Figure 5.4: Employment Level.....	71
Figure 5.5: Conceptual Model	81
Figure 5.6: Conceptual model subjected to CFA.....	82
Figure 5.7: Tested and Improved Model.....	88
Figure 5.8: Final Model Structural model with paths coefficients.....	90

CHAPTER 1

ORIENTATION AND BACKGROUND TO THE STUDY

1.1 INTRODUCTION AND BACKGROUND TO THE STUDY

The past few decades have seen a positive growth in mergers and acquisitions (M&As) in the global market (Davis, 2013:4). M&As are driven by the ambition for incremental growth, strategic value and the availability of debt and equity (Global Hospitality Insights, 2015:4; Global M&A Outlook, 2018:2). The manifestation of these elements has fuelled a global boom in M&As over the past few years and foreseeable future with investors' thirst for diversification of currency, geographic reach, political environment and overall world dominance (World Investment Report 2015:2). The fundamental principle driving an M&A between two companies is to create shareholder value over and above the sum of the value of each company individually (Davis, 2013:8; Hirshleifer 2015:2; Deloitte, 2018:7).

According to Global Hospitality Insights (2015:8), another contributing factor for the increasing M&A activity has been the higher global capital hunt for real estate opportunities. Globally, investors have gained confidence in M&As (Jones Lang Laselle, 2014:7; Global M&A Outlook, 2018:4). In some cases, cross border M&As are used as strategies to improve competitiveness and can be recognised as a response to globalisation and the ever-changing market environment to gain access into new territories (Saunders, Altinay & Riordan, 2009:1359; Deloitte, 2018:12). Emerging markets, including South Africa, are increasingly becoming the focus of corporate M&As (Reuters, 2011; Yu, Dang, & Motohashi, 2018:44).

There has been a growing trend in the hospitality industry of acquiring brand portfolios through strategic investments by global and local investment companies to increase brand reach (Jones Lang Laselle, 2014:7, Global M&A Outlook, 2018:10; Yu et al., 2018:45). The rationale is to acquire real estate with nominal capital investment and operating costs to off-set investment to advance future earnings potential (Global Hospitality Insights, 2015:8). The rapid growth of the hospitality industry has resulted in serious brand competition and brought about the need to accommodate the expansion and radical change in consumer expectations within substantially different social and economic environments (Thoumrungroje, 2004:15; Yaprak, Demirbag, & Wood, 2018:92). In the hospitality industry, division in

businesses is being accelerated; businesses are being tailored to specialized market needs within the industry. Globalising the industry through M&As has become an ever-present process involving social, cultural, political, and economic interdependence that has resulted in several changes to the business environment (Reuters, 2011:12; Deloitte, 2018:18).

Yet, M&As have not been without their challenges. Hence, KPMG (2011:6) state that careful thought, planning and impeccable execution are needed to alleviate risks associated with M&As and that it is important that the post M&A integration be managed on three levels, namely, organisational, team, and individual levels while integrating into a new entity. Deloitte (2010:8) also found that proactive people integration will assist in effective change management during the M&A process that is fundamental for a unified M&A integration. During the post-acquisition integration process, the critical elements that the acquiring company need to focus on are the strategic and organisational fit as together they have the potential to add value through synergies that create competitive advantage (Johnson, Whittington & Scholes, 2011:57, Global M&A Outlook, 2018:22). Strategic fit determines the extent of which the targeted companies strengthens or complements the acquiring company's strategy. The organisational fit refers to the match between management practices, cultural practices and staff characteristics (Johnson et al., 2011:57; Yaprak et al., 2018:93).

In the modern business world, competitiveness is based on attitudes and behaviour of employees (Kanten & Ulkerb, 2012:1016). In emerging markets, fundamental change in the business environment has forced challenges in the African context. Ubuntu is the basis of what African philosophy represents, which expresses the well-being of the community as a whole with emphasis that one cannot survive alone (Eve & Goldman, 2013:8). According to Mbigi (1997), Ubuntu is a literal translation for collective personhood and collective morality. This philosophical principle is intrinsically installed in many African cultures and sways influence on how Africans focus on managerial and business-related conduct, which directly conflicts with the entrenched western principles of management (Eve & Goldman, 2013:10). Ubuntu is a uniquely African management system designed for the African context that is a necessity for successful integration into the world market (Eve & Goldman, 2013:10).

M&As are central to organisational growth strategies but may have disruptive tendencies that can cause consumers, investors and employees to re-evaluate their relationship with the organisation's brand (Kabadayi & Alan, 2012; Deloitte, 2018:17). Brand acquisition is an effective strategy for gained market power and cross-border selling of products and services which in addition sends a message of increased strength and power to competitors. However, Mizik, Knowles and Dinner (2011) posit that the possible downside to brand acquisition strategies of two strong brands is the possibility that it may disregard the original brand equity and its associated goodwill. Mizik et al. (2011) iterate that unless integration is handled proactively and with sensitivity, the branding integration strategy will bring complex risks of marginalising consumers and employees of the acquired organisation who may feel that their past history and relationship with the business or brand is omitted and obliterated.

X Hotel group is a property management company. The company represents and operates a portfolio of properties in Gauteng, Western Cape, North West Province, KwaZulu-Natal, Mpumalanga, Limpopo, Botswana, Zimbabwe and Zambia. Each property is graded in the four or five-star category by the Tourism Grading Council of South Africa. Their focus is not limited to South Africa but extends throughout Africa and especially to those areas where the group already has a presence. X Hotel group is involved within varying degrees in a number of African countries which are seen as an opportunity to grow the group's brand in these countries. In 2008, all properties owned and/or managed by the previous brand were consolidated under the X group. The expanded group then acquired another Johannesburg based hotel brand to make it one of the largest tourism hotels and lodge management companies in South Africa. The acquisition signalled the group's intention to become a major player in the tourism and accommodation sector in Africa.

1.2 PROBLEM STATEMENT

According to Saunders et al. (2009:1359), not all businesses that attempt brand acquisitions necessarily have acquisition strategies in place and if they do, some are not inclined to stick to them. Yet, such strategies may not provide businesses with the same successes due to the unique characteristics of both the economy and the acquired business (Anwar, 2018:441). Some strategies that work well for businesses

from developed economies may not be perfectly simulated to businesses from emerging economies such as South Africa (Reuters, 2011; Weber, 2018:258).

In this regard, Kanten and Ulkerb (2012:1016) have observed that when different strong brands merge into one entity, this often leads to problems such as brand identity, ranging from the new organisational brand to details about what to do with overlapping and competing product brands. Gerds and Strottmann (2010:12) concur that the challenges associated with post acquisition integration remain consistently high and consequently can impact negatively on the organisation's performance. A study by Foley (2014:23) illustrates how acquired businesses carry out the post integration process in the context of people management. The study revealed the significance of the human factor in the process of post-acquisition integration as a change process (Foley, 2014:23; Faisal, Tarba, & Glaister, 2016:68). This finding is supported by Gerds and Strottmann (2010:13) who also found that the human factor was an important differentiator between the acquiring and acquired business. Furthermore, a study by KPMG (2011:12) found that post M&A, people-related issues can start to surface in the early stages if not properly planned and accounted for.

Since the hospitality industry is largely about people, employees contribute largely to the organisations through relationships, thus influencing success which may create brand trust and brand satisfaction (Bilgina & Demirerb, 2012:2; Faisal et al., 2016:70). There remains a lack of studies conducted in the frontier of strategic management in general and particularly on M&As, especially in emerging economies such as South Africa. Thus, this study attempts to fill the research gap into understanding the ever-present reality of post-acquisition integration strategies of a global brand by determining the power of organisational support on organisational citizenship through brand trust and brand satisfaction.

1.3 OBJECTIVES OF THE STUDY

This section highlights the primary, theoretical and empirical objectives of the study.

1.3.1 Primary Objective

The purpose of this study is to examine the power of organisational support, brand satisfaction and brand trust have on the organisational citizenship for employees in the post-acquisition integration of a global hotel brand.

1.3.2 Theoretical Objectives

In order to achieve the main purpose of this study, the following theoretical objectives will be formulated:

- to conduct a literature review on mergers and acquisitions;
- to conduct a literature review on the post-acquisition reality on the acquired business;
- to conduct literature review on the hospitality industry;
- to conduct a literature review on the relationship between organisational support and brand satisfaction;
- to conduct a literature review on the relationship between organisational support and brand trust;
- To conduct a literature review on the relationship between brand satisfaction and organisational citizenship;
- to conduct a literature review on the relationship between brand trust and organisational citizenship; and
- to conduct literature review on the relationship between organisational support and organisational citizenship.

1.3.3 Empirical Objectives

In accordance with the purpose of this study, the following empirical objectives are formulated:

- to establish the relationship between organisational support and brand satisfaction among employees in a post-acquisition period of a global brand;
- to establish the relationship between organisational support and brand trust among employees in a post-acquisition period of a global brand;
- to establish the relationship between organisational support and brand trust among employees in a post-acquisition period of a global brand; and
- to establish the relationship between brand satisfaction and organisational citizenship among employees in a post-acquisition period of a global brand.

1.4 CONCEPTUAL MODEL

The following research model is conceptualised, highlighting the indirect causal relationships under investigation. This model is essentially made of two distinct constructs, organisational support as a predictor to the outcome variable organisational citizenship, and the mediating roles which brand satisfaction and brand trust variables have on organisational citizenship.

The conceptualised research model of this study can be illustrated as follows:

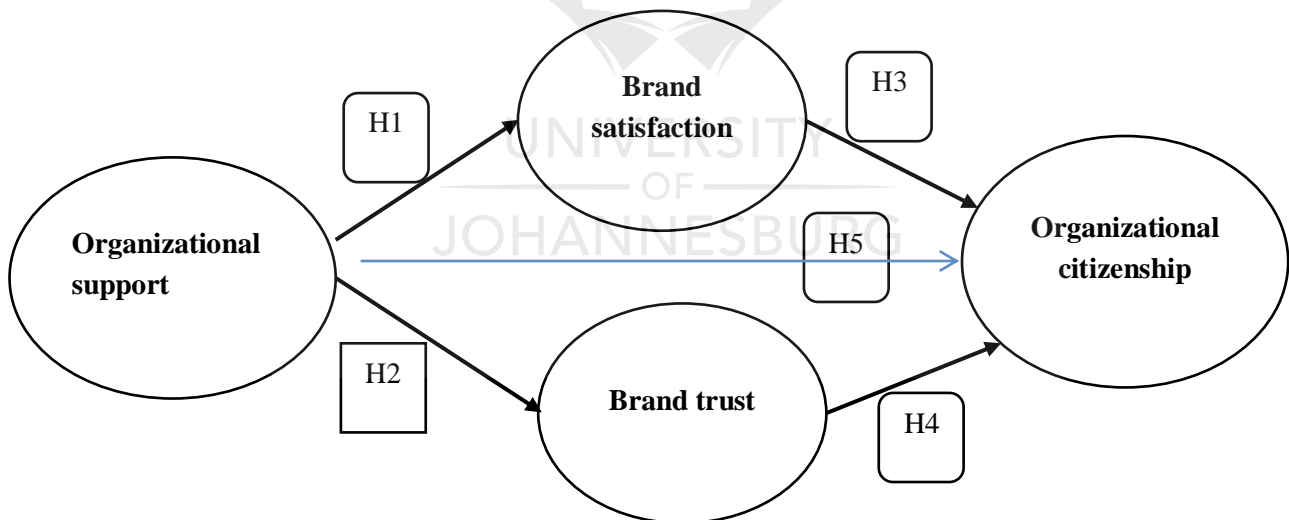


Figure 1.1: Conceptual model

Source: Researcher's own model

1.5 Hypotheses Statement

Based on the above conceptual research model, the following hypotheses are stated:

H₁: There is a positive and significant relationship between organisational support and brand satisfaction.

H₂: There is a positive and significant relationship between organisational support and brand trust.

H₃: There is a positive and significant relationship between brand satisfaction and organisational citizenship.

H₄: There is a positive and significant relationship between brand trust and organisational citizenship.

H₅: There is a direct relationship between organisational support and organisational citizenship.

1.6 RESEARCH DESIGN AND METHODOLOGY

1.6.1 Research Design

This section discusses the design of the research and the approach the researcher took.

1.6.2 Quantitative Research

This research adopted a quantitative approach. Targett (2012:3) indicates that quantitative research is concerned with measurements between related variables, which indicate that it is suitable as the purpose of this study is to examine the power of organisational support, brand satisfaction and brand trust on the organisational citizenship for employees in the post-acquisition integration of a global hotel brand.

1.6.3 Sampling Design

Sampling is the process of selecting certain units from a population of interest to ensure that by researching the sample, the data is as accurate and appropriate as possible. Chapter four elaborates on this subject.

1.6.4 Target Population

The target population can be defined as the total group of individuals from which the sample might be drawn (Lathman, 2007:1). In this study the target population was all

the hotel employees working within X Hotel group, who were employed at the time the acquisition took place. Chapter four elaborates on this subject.

1.6.5 Sampling Frame

A sampling frame is the source from which a sample is drawn from, it is a list of all those within a population who can be sampled (Westfall, 2009:7). Chapter four elaborates on this subject.

1.6.6 Sample Size

The sample size for this study was 250 respondents. According to Westfall (2009:7), an attempt to increase reliability would require the sample size to be as big as possible, around the 250 mark. Sample size is important for accurate data analysis. Chapter four elaborates on this subject.

1.6.7 Sampling Technique

According to Lathman, (2007:4), there are two broad types of sampling, namely, probability and non-probability methods. Probability sampling is defined as having a distinguishing characteristic that each unit in the population has an equal probability of being included in the sample, Lathman, (2007:4). This study employed a simple random sampling in which all elements have an equal chance of selection. Simple sampling assumes that the method used to draw the research sample will provide a reasonable random cross-section of the study population, discussed in chapter four.

1.7 OPERATIONALISATION OF THE MEASUREMENT INSTRUMENTS

The objective of all major businesses and organisations is to build a strong brand that creates greater goodwill with customer loyalty and to become less vulnerable to competitors, (Boolaky, Gungaphul & Adeyemi, 2017:558). Kevin Keller made a major contribution to branding theory that introduced the concept of the consumer-based brand equity (CBBE) model, (Boolaky, Gungaphul & Adeyemi, 2017:559). The CBBE model recognizes steps that measure brand equity and is used as a yardstick that a brand can use to assess a business's efforts and act as a guide for marketing initiatives, (Boolaky, Gungaphul & Adeyemi, 2017:559). However, according to Pike and Bianchi (2016:45) the application and testing of the CBBE model is still in its infancy and requires further work. For the purpose of this study, the

operationalisation of the measurement instruments was underpinned by CBBE and adapted from previously validated instruments from existing literature.

For all the constructs, a 5-point Likert scale was used to measure the data. The questionnaire consists of five sections. Section A elicits demographic information from the respondents. Section B elicits questions on organisational support adapted from Rhoades, Eisenberger and Armeli (2001). The items in section C measured brand satisfaction adapted from Salinas and Perez (2009) while section D items that measured brand trust was adapted from, He, Li and Harris (2012). Finally, section E elicited responses on organisational citizenship and adapted from a study by Allen and Meyer (1990).

1.8 DATA COLLECTION METHOD AND PROCEDURE

Data collection is one of the most important aspects to any research. To ensure correct data is collected, a questionnaire was used in this study as it is an effective method as it can be used to collect data from a large population (Westfall 2009:7).

1.9 DATA ANALYSIS

Statistical analysis techniques and methods were used in this study. Techniques used included: Descriptive statistics, Convergent and Discriminant Validity, Cronbach Alpha for reliability, Confirmatory Factor Analysis (CFA), and Structural Equation Modelling (SEM). The collected data was coded into an excel spreadsheet before being transferred as data coding is important to the research since it involves turning data into information, (Curtis & Curtis, 2011). The Statistical Package for the Social Sciences (SPSS) was used to extract descriptive statistics to analyse attributes of each variable to measure their mean and standard deviation, version 24 was used in this study.

This study used SEM to test the validity of the proposed model through Analysis of Moment Structures (AMOS); Graphic Version 24 was used to carry out confirmatory factor analysis (CFA) and path modelling. SEM is a multivariate statistical analysis technique used to analyse the structural relationships between measured variables and tested hypotheses, (Tenenhaus, 2008:872).

1.10 RELIABILITY AND VALIDITY

Reliability is defined as the degree to which an assessment tool produces stable and consistent results (Tavakol & Dennick, 2011:53). Reliability was determined using the Cronbach Alpha co-efficient, which provides a measure of the internal consistency of a test or scale and is expressed as a number between 0 and 1. It is recommended that the co-efficient Alpha value be more than 0.70 to ensure internal consistency and overall reliability (Tavakol & Dennick, 2011:53).

1.11 ETHICAL CONSIDERATIONS

This research paper complies with research ethics and focuses on the confidentiality of all involved. This was made possible with the use of an anonymous questionnaire and naturalistic observations to ensure that confidentiality was protected and would not implicate risk of civil or criminal liability, employability, reputation and financial standing. The assurance that the researcher conducted the research by means of the appropriate ethical compliance guidelines are understood to impact on the integrity of the research, which may affect the perceptions of the outcome. Ethical compliance prevents falsifying and fabrication of data, therefore this research ensured ethical compliance in the pursuit of knowledge throughout the research process with the view to validate the reliability of the primary goal identified in the objectives.

1.12 DEFINITION OF KEY TERMS

M&A's	- Mergers and Acquisitions of one or more businesses.
Strategy	- Performing a different set of activities or performing activities differently.
Strategic Management	- formulating a long-term plan.
Brand Trust	- the belief of reliability, integrity and honesty from one side to another.
Brand Satisfaction	- the result of evaluating positive outcomes developed by the employee's experience of a certain product.

Organisation Citizenship	- is a perception that businesses want to have but are far and few in achieving it. It is rooted from an individual employee's view of the business and the values of the business and how they can associate themselves within the business.
Organisational Support	- employees in an organisation that form beliefs relating to the extent in which the organisation values their influence and cares about their well-being while fulfilling socio-economical needs.

1.13 OUTLINE OF THE STUDY

Chapter 1: Introduction and background of the study.

This chapter's focus provides the background of the study and includes an outline of the problem statement, the research objectives and the research methodology to be employed.

Chapter 2: Literature review.

This chapter provides a deeper understanding of M&As in general and more specifically within the hospitality industry. It also provides insight into organisational structures and identifies the thread between strategic management, M&A's and the hospitality industry.

Chapter 3: Conceptual model and hypotheses development.

This chapter illustrates the model of this study, which shows the different constructs being studied and their hypotheses' development. It further goes into detail and gives definitions on organisational citizenship, organisational commitment, brand trust and brand satisfaction. The development of the hypotheses has been conducted through analysis of previous research on each construct, which is adapted to the context of this study.

Chapter 4: Research strategy and methodology.

This chapter focuses on explaining the research methodology employed in the empirical portion of the study. The sampling method and data collection method is discussed. Data analysis and statistical techniques are outlined.

Chapter 5: Data analysis and interpretation of results.

This chapter deals with analysis, interpretation and evaluation of the research findings. The purpose here is to interpret and present the findings that were obtained through empirical investigation to identify the descriptive statistics; the mean, standard deviation, reliability and validity of all the constructs.

Chapter 6: Conclusion and discussion.

This chapter presents the recommendations, based on the theoretical and empirical objectives, the findings as well as the conclusion of the study.

1.14 CONCLUSION

Chapter one is a synopsis that introduces the study. Its purpose, objectives and the research strategy are outlined to give the reader an opportunity to understand the basis of the research which follows. It discusses the operationalisation of the study and describes the data analysis that was used, which allows the reader insight into the research. The following chapter discusses the literature review objectives; in particular, it outlines mergers and acquisition, the post-acquisition reality on the acquired business and a review on the hospitality industry.

CHAPTER 2

LITTERATURE REVIEW

2.1 INTRODUCTION

The previous chapter introduces the study and outlines the process that was taken from the methodology to the analysis and reports their results. This chapter provides a deeper understanding of theoretical grounding in how M&As have formed part of the modern business world in general and more specifically within the hospitality industry. Literature from various academic disciplines is used to develop a deeper understanding of the theoretical objectives to be able to represent the theory accurately and to give the reader an understanding of the strategic fit of M&As in literature.

This section is based on theory found in academia and its purpose is to develop an academic understanding of how M&As fit into the discipline of strategic management. To this end, a brief introduction into strategy, strategic management and modern organisational structures are discussed in brief with a view of showing how M&As fit into organisational strategies and structures.

2.2 DEFINING STRATEGY

According to Porter (1996), strategy can be described as performing a different set of activities or performing activities differently. Traditionally, strategic management is about formulating a long-term plan that needs to be executed through a formal deliberate process by following certain steps quite mechanically. Armando and Pham (2017:2761) state that this approach to strategy can work for large inflexible global businesses but has the propensity to fail in contemporary dynamic environments.

Strategies in dynamic and competitive industries have proven to be more effective when they are conducted through a process of trial and error. A more recent definition of strategic management is the art and science of evaluating cross functional decisions of formulating, implementing, and re-evaluating (David, 2011). As this definition implies, strategic management as a discipline is built around several well-articulated theories focusing on integrating management with various other disciplines; marketing, finance, operations, research and development, and information systems in order to achieve business success.

Strategic management allows a business to be more proactive than reactive in gearing its own future; it allows a business to initiate and influence activities rather than merely responding (David, 2011). Thus, the approach in which strategic management is carried out is exceptionally important. Research indicates that organisations using strategic management concepts are more profitable and successful than those that do not (Armando & Pham, 2017:2762). A business that uses strategic management concepts demonstrate considerable enhancement in productivity, sales, and profitability, which gives a business an advantage and takes a business into uncharted territory.

2.3 MODERN ORGANISATIONAL STRUCTURES

Characteristically, the structure of an organisation has developed it grows and changes over time (Distelzweig, 2006; Hana & Michal, 2018:98). Contemporary organisational design stems from ideas to make communication more dynamic and combines individual and organisational solutions together into a cohesive entity. New designs place emphasis on adaptability. They depend highly on employee involvement, distribute management based on skill and have fewer guidelines and limitations, resulting in a more organic structure (Griffin, 2010). Changing an organisation's structure is an intimidating managerial task, and the enormity of such a project is at least partly responsible for why organisational structures change infrequently.

The fourth industrial revolution has brought turbulence in the expanding business environment, which out of necessity has created the need for rapid response to change in adaption of strategy and organisational structures to appropriately optimise the structure of global companies in the ever-changing market (Hana & Michal, 2018:98).

2.3.1 Network Structure

A network structure is an organisational structure in which organisational managers develop, coordinate and maintain relationships with a third party such as suppliers and customers in order to achieve collective agreements of an objective that is profitable growth. These relationships in the modern era are maintained through telecommunications known as virtual structures (Irani, 2011; Gamble and Thompson, 2009:119).

Characteristics of a network structure according to (Gamble and Thompson, 2009:119-121) are:

- vertical disaggregation;
- brokers;
- market Instruments;
- full-disclosure information system;
- associates complement each other;
- associates of the network are more mobile and focused as a self-sustained individual;
- associates demonstrate the technical knowledge of a practical structure;
- “industry synergy” is created by the fact that each associate comprehends their role contained by the network; and
- associates change to an implicit interdependence which specifies that each associate must take the responsibility to meet the dual objectives of modernisation and ingenuity, in order to ensure the long-term viability of the network.

According to Gamble and Thompson (2009:119-121), there are three (3) main types of network structures:

1. joint ventures;
2. licensing; and
3. mergers and acquisitions.

A joint venture involves the creation of a new identity in which both the initiating partners take active roles in formulating strategy and making decisions (Rees & Wall, 2004:41). A joint venture is the involvement of two or more organisations, in which each party contributes assets, equity, and shares risk (Czinkota et al. 2009:234).

Types of Joint Ventures (Rees and Wall, 2004:41).

- Specialised joint ventures:
 - Each party brings specific competencies to the new identity. Such ventures are to be expected to be organised round altered functions.
- Shared value-added joint ventures:
 - Both partners contribute to the same function or value-added activity.

2.3.2 Licensing

Licensing is an agreement with multiple organisations and comes into existence when one of the organisations permits another to use intellectual property for the compensation designed as a royalty. The licensor benefits from the licensee's local knowledge and distribution channels, which would otherwise be difficult and time consuming to develop and maintain (Rees and Wall, 2004:41).

These license agreements, according to Czinkota et al. (2009:238), may include:

- Patents,
- Trademarks;
- Copyrights;
- Technology; and
- Technical know-how or specific business skills.

2.4 MERGERS AND ACQUISITIONS

A merger is the joining of two or more organisations into a single entity, with the newly created company often taking on a new name.

An acquisition is an amalgamation in which a company, the acquirer, purchases and engrosses the operations of another, the acquired, taking on the name and brand of the acquirer (Gamble & Thompson, 2009:12; Moran, Mcourt & Cox, 2018:55).

The main variation between a merger and an acquisition narrates more to the details of ownership, management control, financial arrangements, strategy and competitive advantage (Gamble & Thompson, 2009:121). According to Gamble and Thompson (2009:119-121), there are five (5) objectives that an M&A strategy seeks to achieve:

1. to create a more cost cost-efficient operation out of the combined companies;
2. to expand a company's geographic coverage;
3. to extend the company's business into new product categories;
4. to gain quick access to new technologies or other resources and competitive capabilities; and
5. to lead the junction of industries whose boundaries are being indistinct by changing technologies and new market opportunities.

Mergers and acquisitions (M&As) have been debatably the most popular and influential method of business investment in the modern era (Smeets, Ierulli & Gibbs, 2016:464). M&A activity has revolved around the emphasis of growth, according to Smeets, Ierulli and Gibbs (2016:471). Approximately less than 40% accomplish the level of success that they initially set out to achieve. This unsatisfactory result is because not enough emphasis is placed on due diligence during the pre-acquisition stage and fail to realise the importance of the post-acquisition stage.

2.4.1 M&As and the global market

The following discussion on globalisation is strategic to outline the significance of M&As in the global market and how market power can affect decisions and steps to take into account the post-acquisition steps of global businesses.

Globalisation can be described as the process of increasing social, cultural, political, and economic interdependence that has resulted in several changes in business environment. In 1986, Porter proposed a model of global strategy based on a generic strategic framework. He argued that the generic strategies can be operated on a global scale targeting either an entire global market or a particular market segment (Porter, 1996).

Globalisation has caused dramatic changes to business practices around the world (Thoumrungroje, 2004; Moran, Mcourt & Cox, 2018:56; Anwar, 2018:441). In earlier times, businesses operating within the hospitality industry placed emphasis on local markets based on skilled workers who believed that their knowledge and work would remain unchanged. The evolution of the hospitality industry over the past few decades has continued to rapidly grow to accommodate the expansion and radical change in consumer expectations within substantially different social and economic

environments. This has created the need for more complicated and varied types of businesses to exist, which has created serious competition (Thoumrungrroje, 2004; Anwar, 2018:445). Globalisation has therefore changed the way business is conducted today within the hospitality industry. In order to secure the continual growth of hospitality businesses, they are moving into global markets to secure a strong market share by the typical means of mergers, acquisitions and strategic alliances. The world is rapidly being integrated into one market.

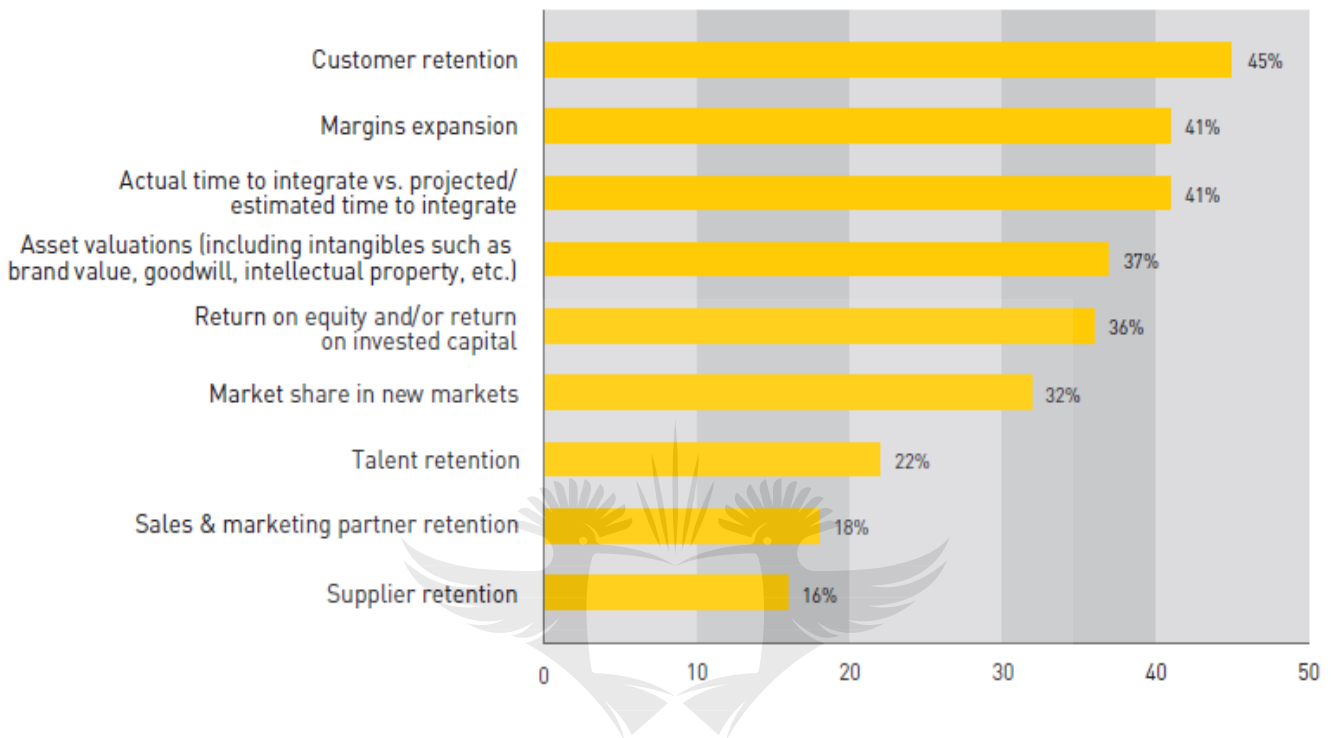
As globalisation is making the world smaller every day, opportunities for organisations to grow across borders are becoming progressively more attractive. Organisations that are based in a high growth market are becoming more ambitious in their plans for global expansion, and have suffered significantly less over the past few years following the global financial crisis that led to economic uncertainty. (Havenga, Van Eeden & Pienaar, 2013:3). To identify the trends in greater detail, Baker and McKenzie conducted research from over 350 executives across a range of high growth and developed markets to gauge their appetite for cross border M&A transactions, and examined the most influential factors for successful transactions that moderated risk (Havenga, Van Eeden & Pienaar, 2013:3).

2.4.2 M&As – The Post-Acquisition Integration

Vuori, Vuori and Huy (2018:860) conducted a study to identify the cause of failure in the post-integration process. They found that there is a typical practice that cause employees to have negative emotions so that they can perceive satisfaction during integration, and that these false perceptions resulted in the escalation of no corrective action, which ultimately resulted in a failed integration. Vuori, Vuori and Huy (2018:860) state that the communication between the two companies that are integrating were directed at efficiency, which actually aggravated the effects of masked negative emotions and inflated the false perceptions of satisfaction, resulting in spontaneous emotional reactions. According to Ibeh and Makhmadshoev (2018:255), there is a preference for integration in that a control absorption approach with the direct use of acquisition motives, the business environment and the profile of resources effect the overall integration.

Figure 2.1: Factors of post-acquisition integration

Source: Havenga, Van Eeden and Pienaar (2013:487).



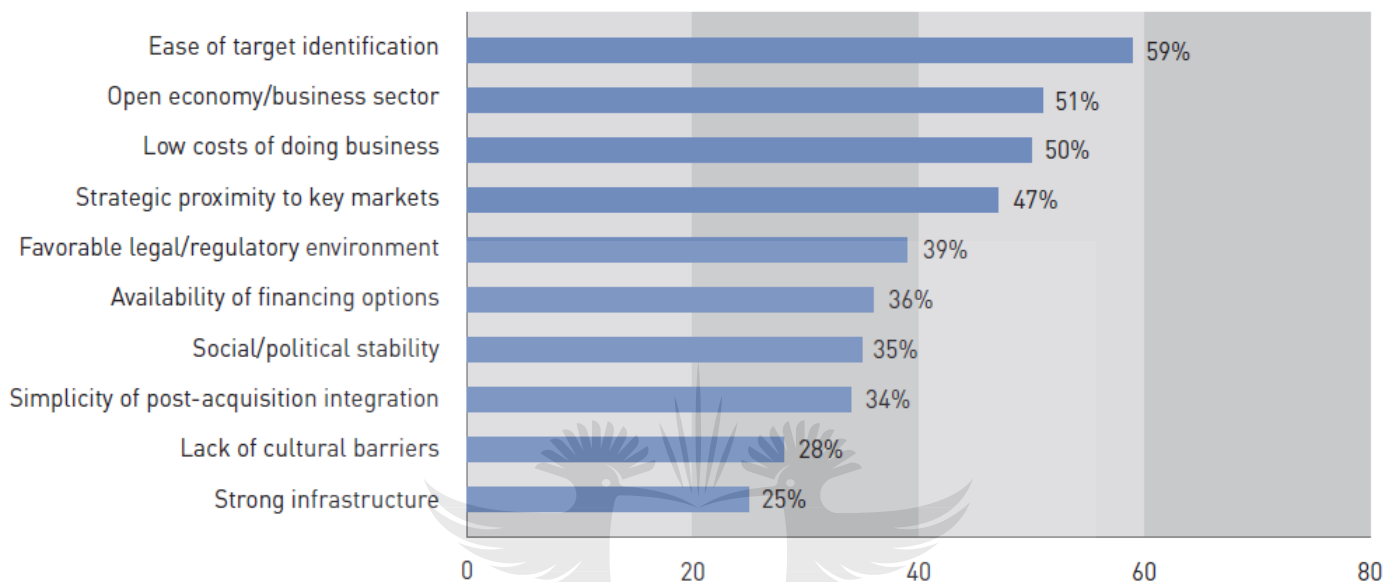
M&As can enable organisations to attain a larger market share, which increase the price of their products or services that are comparative to their acceptable cost margins and can be considered an objective of the acquisition (Jakub, Viera & Eva, 2015:487). Increased market power is not only restricted to the area of sales but can also be achieved in the area of purchases. However, anti-trust laws curb such intentions of companies in gaining power (Teerikangas & Thanos, 2018:262; Popli, Ladkani, & Gaur, 2017:22).

In business economics, market power is defined as the ability to raise the price above the competitive price, (Jakub, Viera & Eva, 2015:485). Market power suggests that an organisation has a superior opportunity of enjoying profits for a period of time as opposed to that of its competitors.

2.4.3 M&As and Investment Decisions

Figure 2.2: Factors that make a country an attractive destination for M&As

Source: Havenga, Van Eeden and Pienaar, (2013:487)



"In relation to investment coming from Western markets, we are seeing anti-bribery and anti-corruption [with] due diligence playing a major role in conducting those deals. Over the past three to four years, concerns about compliance have slowed deals and, in some cases, stopped them completely," states Morne van der Merwe, an M&A Partner in Johannesburg, (Havenga, Van Eeden and Pienaar, 2013:487)

Strategic and financial investors have a different set of objectives, (Havenga, Van Eeden & Pienaar, 2013:488). Strategic investors of organisations look at targeting organisations with products or services that they can incorporate with their own operations in order to create long term value for shareholders, (Havenga, Van Eeden & Pienaar, 2013:488; Moran, Mcourt & Cox, 2018:56). Strategic investors look at the valuation of the organisation from a different perspective that focuses more on synergies rather than on cash flow or earnings' growth potential and tend to know the industry with a vision of longer-term investment. Financial investors such as venture capitalists, hedge funds and private equity firms seek return on investment by identifying growth organisations and eventually exiting through the sale or IPO, (Deng & Yeng, 2015:159; Popli et al., 2017:23). Financial investors have transactional experience and tend to conclude transactions quicker, but their shorter

investment vision creates greater sensitivity to the business cycle. (Lebedev, 2014:4).

Executives responding to Baker and McKenzie's survey, expressed a strong preference for strategic investors, agreeing that 44% are more preferable to deal with than financial investors. About 35% of respondents stated no preference between strategic and financial investors whereas the remaining 21% preferred financial investors, (Havenga, Van Eeden and Pienaar, 2013:487)

2.5 CLASSIFYING ACQUISITIONS

There are several ways in which an organisation can be acquired.

- **MERGER**

In a merger, the board of directors from both organisations agree to join whilst seeking approval from shareholders. In the majority of mergers, at least 50% of the shareholders or the acquirer and the acquired organisation have to agree on the merger (Deng & Yeng, 2015:159). The target organisation ceases to exist and becomes a part of the acquiring organisation.

A merger is common event in the reshaping and transformation of the landscape of a business in many industries (Golder, Mitra & Moorman, 2018:223). When a merger comes into effect, merger analysis proves that to fully incorporate the business, quality considerations need to be taken into account to protect the goodwill of both businesses as some mergers focus on price analysis and how to stretch the bottom line, which in-turn, can inhibit the quality offering (Golder, Mitra & Moorman, 2018:224).

- **CONSOLIDATION**

A consolidation means that a new organisation has been created after the acquisition; both the acquiring and acquired organisations stockholders receive new stock in the new organisation (Lebedev, 2014:4).

Globally, the economic and financial crisis that is being faced by numerous countries, the process has exacerbated the requirement to go the route of consolidation (Agnello, Castro, & Sousa, 2013:130; Moran, Mcourt & Cox, 2018:58). It is interesting to note that the size of the consolidation in relation to the business

GDP does not affect the duration and actually a spend driven approach is shorter than that of a tax driven approach; moreover, in the African context, the consolidation process is longer than that of a non-African country (Agnello, Castro & Sousa, 2013:131).

- **TENDER OFFER**

In a tender offer, one of the organisations buy out the outstanding stock from the other organisation at a specific price, which is communicated to stockholders. This M&A method bypasses the management and board of directors of the targeted organisation, consequently tenders are often used as hostile takeovers (Bena & Li, 2014:1928). However, as a practical approach, most tender offers subsequently become mergers when the acquiring organisation successfully gains control of the target organisation (Deng & Yeng, 2015:159).

- **PURCHASE OF ASSETS**

The purchase of assets is when one organisation acquires the assets from another, done via a formal vote by the shareholders of the acquired organisation (Lebedev, 2014:4). The advantage of this type of M&A is that it allows the acquiring company to be selective with the ability to avoid postulation of any liability that it does not want or need with a direct impact on a tax benefit (White, Trejo-Pech & Noguera, 2018:595).

This type of M&A also gives the acquirer a greater opportunity and power to absorb the acquired company's governance and hierarchy to better reduce the company risk, and/ or assess historical obligation being transferred that allows the acquirer to step away from unfavourable obligations in an unstable economic environment (White, Trejo-Pech & Noguera, 2018:596).

- **MANAGEMENT BUYOUTS/ LEVERAGED BUYOUTS**

An organisation is acquired by its management or by third party investors that after the success of the transaction, this acquired organisation becomes private and ceases to exist as a publically traded company (Bena & Li, 2014:1929). If the funds to buyout come from majority of debt, it is classified as leveraged (Lebedev, 2014:4).

In many companies, the purchase is made by a combination of debt and equity, as is the definition of leverage, made in such a way that the cash flow of the company is

used to secure and pay back the borrowed collateral because the use of debt has a lower cost of capital than that of equity, and serves to reduce the entire cost of financing the acquisition (Lahmann, Stranz, & Velamuri, 2017:12)

2.6 ACQUISITION STEPS

There are four (4) steps in the process of an acquisition in acquiring a target organisation, according to Lebedev, (2014:4):

Step 1 - Progressive rationale and strategy development for doing acquisitions with and understanding of this strategy requirements in terms of resources.

Step 2 - The selection of an objective for the acquisition and the valuation of the target organisation focusing on the value of control and most importantly, the synergy.

Step 3 - Decision of how much to pay on the acquisition, how to raise funds, and whether to use stock or cash. This decision has significant consequences for the choice of financial management for the acquisition

Step 4 - The final step in the acquisition, and conceivably the most perplexing one, is to make the acquisition work after the transaction is complete, post-acquisition integration.

Figure 2.1 summaries the different forms of acquisitions and has been used to easily identify the consequences of each type of acquisition.

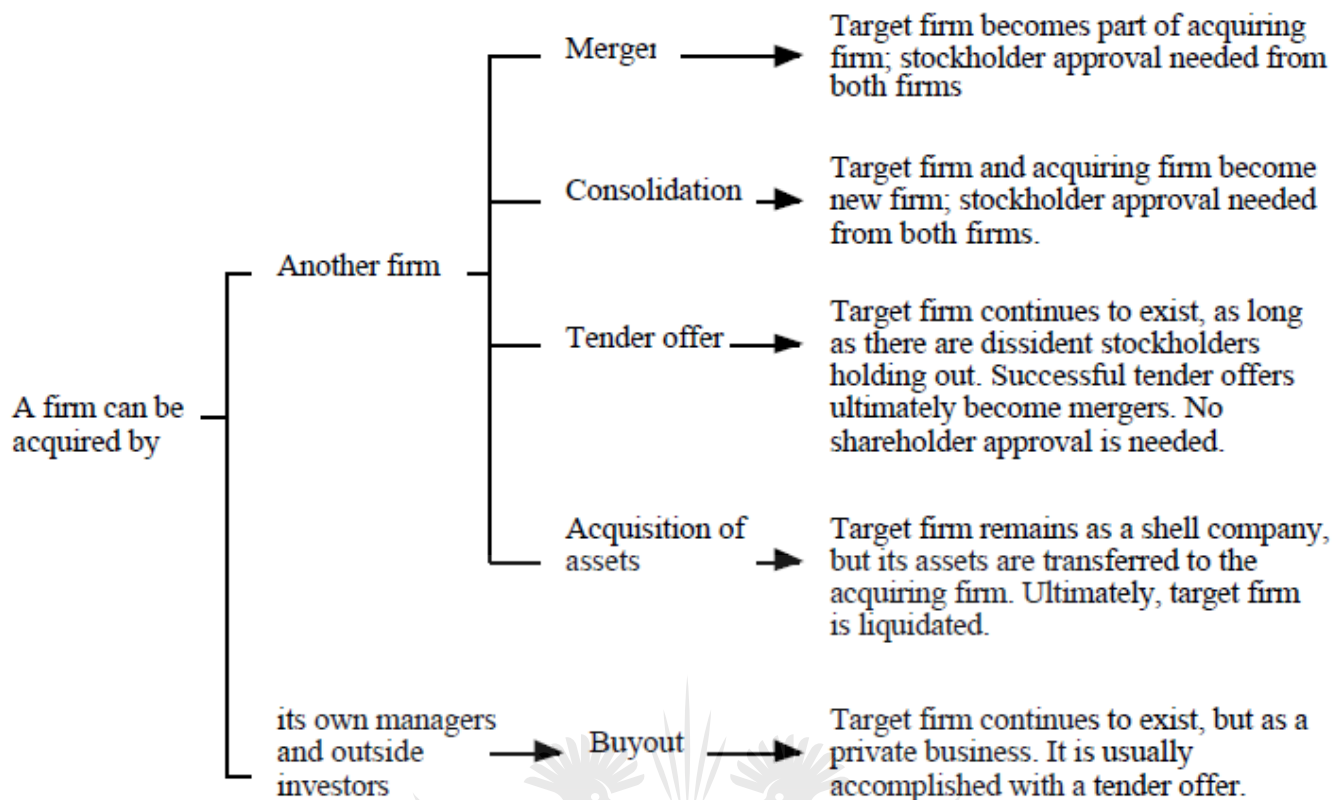


Figure 2.3: Forms of Acquisitions

Source: (Weche Geluebcke, 2014:754)

All M&As are done for various reasons with all successful M&As having a specific process, either based on logic or a strategic reasoning. As seen by the above explanations and figure, M&As can be conducted in various ways, each with their own characteristics with an end goal of creating value for the final company.

2.7 POST-ACQUISITION INTEGRATION

The trend of organisations being acquired through acquisitions has been growing in the last few years, with smaller to medium sized organisations succumbing to the larger, acquiring organisation (Theodosiou, Kehagias & Katsikea, 2012:1058; Sekolah, Ilmu, & Wiyatamandala, 2018:16). Smaller organisations tend to have a less formal structure, which makes them more susceptible to larger organisations with firm substructures and support systems, making the post-acquisition transition into the larger organisation difficult (Deng & Yeng, 2015:159). In essence, Nguyen and Kleiner (2003:12) state that a majority of acquisitions fail due to a lack of integration.

According to Lebedev et al. (2014:8), less than 40% of acquired organisations realise the full projected success through the action of acquisitions. Bena and Li, (2014:1930) state that the major complications affecting the impact on successful acquisitions are:

- poor financial performance;
- loss of productivity;
- cultural diversification;
- turnover of key talent;
- conflict of management between two organisations; and
- ineffective integration of the newly acquired organisation.

An unsettled truth is that large corporate acquisitions are recurrently embarked on with a prominence on speed of completion (Bena & Li, 2014:1931; Sekolah, Ilmu, & Wiyatamandala, 2018:16). Consequently, post-integration problems that arise are more than often ignored or disregarded completely (Lebedev et al. 2014:9). What affects this change process is the inadaptability of the employees and managers of the acquired business, which is one of the most prominent reasons why acquisitions fail to meet the objective of becoming one organisation and reach expectations of shareholders (Deng & Yeng, 2015:159) Employees of the newly acquired organisation's management team are the driving force that create the struggle with the acquiring organisation's direction, structure, expectations, culture and accountability (Lebedev et al. 2014:7). Consequently, it is the aptitude of these managers to make the acquisition successful as leaders in the change process (Theodosiou, Kehagias & Katsikea, 2012:1070)

Cartwright and Cooper (2002:3) state that; "even though much has been written about the economic, financial and strategic aspects of M&As, it is only relatively recently that research attention has turned to the role and contribution of the human factors".

According to Smeets, Ierulli and Gibbs, (2016:490), when discussing the human factors of an organisation, the focus is based on the impact that M&As have on the employees in the workplace; the psychological complications that people experience, the cultural conflicts that arise during the post-acquisition integration period and the means in which these difficulties can manifest themselves will cause complications

as communication breakdowns, lower commitment, power struggles, drops in productivity, office politics and loss of key associates, (Lebedev et al., 2014:10).

M&A integration is not just a few random activities that is handled after the transaction, instead is a series of well-orchestrated activities that begin long before and continue long after acquisition, (Smeets, Ierulli & Gibbs, 2016:491). Smeets, Ierulli and Gibbs (2016:492) state that failing to recognise the integration issues at the strategy formulation or at the analytic synergy step can create colossal problems for the organisation down the line. More essentially, having insight in what to do after the definitive transaction has been concluded is vital to the success of the deal.

2.8 THE NATURE OF POST-ACQUIRED INTEGRATION

A paradigm shift with rapid changes occur when an organisation is acquired, the arguable sole purpose of a business is to make money, the traditional understanding of a business theorised by extremists such as Milton Friedman (1970) is that the its sole purpose is the responsibility it has to its shareholders to emphasise maximising profit. In the modern business environment, there is competition for market share and maximising returns. With so many companies and businesses competing to gain larger returns, many organisations are worrying about post-acquisition integration strategies.

Consequently, the revelation of deferring money over integration can be considered to not be the highest priority with the pre-acquired organisation. Smaller organisations such as a family owned/ operated business have surpassed the vision of being successful; creating additional income commonly takes a backseat with the main purpose of the business to provide an income to their employees for assisting the owner achieve success (Bena & Li, 2014:1930; Anwar, 2018:441).

The post-acquired business in terms of relationships has also changed. Today's managers need to focus on both internal and external relationships (Theodosiou, Kehagias and Katsikea, 2012:1069; Nicholson, Salaber & Cao, 2016:373). Managers are expected to maintain relationships with customers and suppliers to ensure that the identity and goodwill of the organisation is not lost completely, which goes hand in hand with the expectancy of managers to maintain relationships with all employees in the acquired organisation as a driving force into the new organisation

(Deng & Yeng, 2015:159) Post-acquired managers are required managers that are able to realise and resolve the wide range of business related issues that are now conventional in the new organisation.

According to Bena and Li (2014:1932), post-acquisition managers are essential in the change process as they command the necessary skills of:

- problem solving;
- change management;
- consumer care;
- team centred management; and
- organisation cultural change.

2.9 CULTURAL INTEGRATION

In the process of post-integration and combating fear and uncertainty, Smeets, Ierulli and Gibbs (2016:478) state that any newly acquired organisation should make the process of operating the acquisition clear, decisive and immediate. Smeets, Ierulli and Gibbs (2016:478) suggest that a critical value adding success factor is preparation, which is essential, and should involve the development of a detailed integration strategy in order to integrate the new organisation.

Cartwright and Cooper (2002: 79) suggest that “the problem of integrating two, often previously rival workforces and their cultures and getting them to co-operate and work together cannot be underestimated. There is always an inherent danger that the acquiring company will destroy the very attributes that caused it to want to buy the company in the first place”.

Integrating M&A strategies is a complex robust process that requires insight, knowledge and synergy between employees and managers as this forms a crucial part of the successful integration in order for the acquired organisations to effectively emerge as a new accepting culture that behave harmoniously (Smeets, Ierulli & Gibbs, 2016:480). These authors state that the ability of the acquiring organisation to integrate their beliefs and values in the form of an organisational culture to the acquired organisation is recommended, and can be considered more important to the success over and above strategic and financial factors.

Cartwright and Cooper (2002) agree that the dimensions involving cultural differences are important and can be potential barriers to integration and if managed as a defined process, are critical to the success of any M&A as this can also lead to unhealthy competition between employee groups that create a hostile, they-we attitude that emphasise the differences and challenges between organisation cultures. Cultures can collide in that employees find that behaviour once sanctioned is no longer rewarded, noticed or approved of and can be seen as a punishable offence causing confusion, frustration and will result in post-acquisition cultural breakdown (Smeets, Ierulli & Gibbs, 2016:484).

If in the African context, especially in South Africa, the indigenous people want to develop their own management style, they need to manage their diversity and ensure the integration of both traditional and contemporary management styles. Africans need to handle the unique challenges that face them in a diverse and challenging environment of different cultures, viewpoints and establish strict ethical and cultural adherence (Goldman, 2013:220).

The arrival in Africa of colonialism in the 19th century disrupted the indigenous people's beliefs and traditions, which triggered the beginning of what is called and known as colonised African management (Eze, 1995:136-137).

The arrival of colonial regimes exerted massive authority and paramount power in the sphere of management style and philosophical understanding when they penetrated Africa. These regimes created both administrative bureaucracies and colonial organisations that were aware of the valuable and diverse natural resources that were part of the African land and were geared to directly exploit, not only the natural resources available but the human capital that was present in the masses (Eze, 1995:137). The large African population, having an abundant quantity of human resources was not a matter of concern for the western colonisers.

The introduction of the colonies on African soil brought exertion and dominance in terms of westernised managerial mentalities which were enforced, resulting in specific westernised education geared to fabricate more qualified managers to serve both the public and private sectors. These were for the benefit of the colonialist countries which disregarded the potential for any sort of African management philosophy and principles to be developed or implemented (Inyang, 2009:12).

Further challenges arise, especially in sub-Saharan countries that unfortunately boast the ineffectiveness to create their own management theory. Their philosophy mirrors their inexperience in other social sciences such as sociological disciplines and economics, which places heavy reliance on western systems that were initiated in the colonised past (Goldman, 2013:220). It becomes evident that African management in business faces multiple challenges to obtain a distinct African managerial theory such as: the lack of research facilities, intra-cultural differences, inability of managers to document their experiences and the relative newness of management as a discipline in our academic institutions (Inyang, 2009:12).

Ubuntu is the basis of what African philosophy represents, that expresses the well-being of the community as a whole, and emphasises that one cannot survive alone (Goldman, 2013:225). This philosophical principle is intrinsically installed in many African cultures and sways influence on how Africans see the world. However, when it comes to a focus on managerial and business-related conduct, this directly conflicts with the entrenched western principles of management, therefore making it even more challenging for Africans to spread their so-called 'philosophical wings of independence.' It becomes difficult to ensure a singular and exclusive management theory as the environment they are now in demand the correlation of western management theories (Goldman, 2013:225).

2.10 CHANGE MANAGEMENT

It is known that M&As will create an expectancy of change that is ubiquitous in the context of society, technology, market conditions and competition (Du Preez & Bendixen, 2015:80; Schmidt, 2008:12; Angwin, Mellahi, Gomes & Peter, 2016:2371). Du Preez and Bendixen, (2015:81) state that if organisations do not change, they will remain stagnant and may decline. However impressive the potential benefits of M&A, the organisation will always require change, which makes the human capital factor critical in measuring post-acquisition success.

The change in management means changing people and their organisational culture as the way business is conducted, managerial functions, procedures and the symbols of their identity changes during post-acquisition integration (Du Preez & Bendixen, 2015:81; Reddy, Xie & Huang, 2016:918). During the acquisition process, a great deal of uncertainty unfolds often due to a vague future outlook and fuzzy

responses from management, when often employee uncertainty is manufactured. We can ascertain from this that the only thing that is certain about M&As is that nothing is certain.

IBM (2000) suggests that “most M&As need a high degree of integration because they drive considerable human and organisational change”. It also states that “the kind of change in M&As is often the biggest that individuals, and the organisations they work for, will have experienced”.

The reality is that many M&As are often difficult and stressful events which cause resistance to change and disliking the uncertainty that arises, which resistance to change is based on fear (Du Preez & Bendixen, 2015:90; Angwin et al., 2016:2382; Reddy, Xie & Huang, 2016:918). Actions aimed at specific integration processes will assist in minimising the risks and stack the odds in favour of surety that the acquisition integration will work while expressing the need for emotional and practical support for employees in order to manage the change and survive the upheaval of the ‘known’ organisation (Shantz, Alfes & Latham, 2014:27; Reddy, Xie & Huang, 2016:918). However, Du Preez and Bendixen, (2015:91) have a different belief that the failures in change management issues are related to the speed of change, and failure to act swiftly results in confusion and animosity from the organisation being acquired.

In agreement, Smeets, Ierulli and Gibbs (2016:485) state that over-emphasis on integration and change management can lead to unsatisfactory work performance from the employees due to a lack of common identify which diminishes the level of operational synergies creating an adverse impact on longer term psychological, physical and mental well-being of employees. As Du Preez and Bendixen (2015:79) suggest, the uncertainty that surrounds the acquisition can actually reduce employees’ degree of commitment, diverting energy to confusion and anxiety resulting in a scattering to find employment elsewhere. The consequences thereafter are particularly critical given that the negative effects of M&As do not go away with time, but merely get more serious as time passes. The bottom line is that people must be prepared for, and/ or be comfortable with change. Part of becoming comfortable is to view change as an opportunity rather than a threat (Shantz, Alfes & Latham, 2014:35; Angwin et al., 2016:2382).

A practical example can be seen with international giant Marriot hotels that purchased South Africa's largest hotel brand at the beginning of 2014, Protea Hotels, and as such became a market leader in Southern Africa. In the hospitality industry, division in businesses is being accelerated. The most basic division is between limited-service and full-service businesses. Businesses are being tailored to specialised market needs within the industry. Hospitality business products are tailored for market segments based on lifestyle, such as family restaurants, sports bars and boutique hotels. Some strategies that work well for businesses from developed economies may not be perfectly simulated to businesses from emerging economies such as South Africa. Moreover, such strategies may not provide businesses with the same successes due to the unique characteristics of both the emerging economy and the business.

2.11 THE HOSPITALITY INDUSTRY

A key player in the global economy is the hospitality industry that engages in an integral and robust role in changing the global landscapes through initiatives such as globalisation, innovation, technology, large-scale mergers and acquisitions as well as data analytics (Schmidt, 2008:15).

The era of hospitality and tourism has entered a new age of transformation and growth as global business for travel expenditure slammed an all-time record of \$1.2 trillion in 2015 (Deloitte, 2017:4). Deloitte (2017:6) states that an amalgamation of forces reshaped the travel landscape in 2017, which include shifts in the global economy, rising consumer demands, pandemics, geographic turmoil and game-changing innovation. This trend is expected to continue into 2019, demanding it necessary for industry leaders to accept the chaotic pace of disruption, although future projections show healthy bookings with the spoils of this not guaranteed to be the biggest or most well-known brands as the past few years have taught the industry incumbents to not underestimate a travel start-up, future winners will be those most responsive to change (Global Hospitality Insights, 2017:6; Deng, Yang, Wang & Doyle, 2017:462).

This year investors and developers gave a cautious outlook in relation to prior years as the global growth in most markets have begun decelerating due to new supply and a higher asset price structure alluring to a less certain forecast in the global

economy. This has prompted business strategies to be re-examined for the road ahead (Global Hospitality insights, 2017:6; Deng et al., 2017:466).

However, according to Global Hospitality Insights (2017:7), this uncertainty has not restrained opportunity as the advancement and adaption of new and improved technologies have created more informed decisions and service investments. These have been aligned more to the ever-changing preferences of the consumer by embracing change and innovation rather than seeing this as a deterrent. Businesses are now being able to discover growth and forward potential in the disruption that faces major brands.

Furthermore, (Global hospitality insights, 2017:8), in June 2016 a historic landmark decision was made when the UK decided to leave the European Union, and critical consideration for hospitality executives needed to be timed and planned as the process governing the movement lobbied around new trade, tax and immigration laws post-Brexit. Brexit has shifted global perspectives for investors and created an undecided outlook for investment. However, in the past, the UK has proven a strong record of sheltered foreign direct investments, partially due to the corporate tax rate of 20%, which is one of the lowest in the world and is expected to drop to 17% in 2020. Global Hospitality Insights (2017:9) iterates that there has been a significant increase in global outbound Chinese investment, with 2017 expected to set an all-time record as the previous five years has shown a 108.1% compound annual growth rate, representing forty times the increase since 2011.

Mergers and Acquisitions within the hospitality industry have been making headlines over the past few years, announcing major purchases of other parent brands such as Marriott International's acquisition of Starwood hotels and resorts, HNA Tourism Group Co's acquisition of Hilton Worldwide and of Carlson Hotels (Jones Lang Laselle, 2017:6). Hospitality acquisitions that have been conducted since 2014 involving large scale global brands have seen and involved an astounding one million hotel rooms with little slow down in site (Schmidt, 2008:12). According to Jones Lang Laselle, (2017:8), hotel brands are on a never-ending hunt to strengthen their channels as the lure to growth is often seen by acquiring operators with management and franchise contracts as the natural attrition in properties. This

allows post-integration to take place over a full range of offerings geographically, with star ratings and market share.

Jones Lang Laselle (2017:8) state that hotel brand and management companies are looking to boost efficiency and EBIT by acquiring new properties while the expected consolidation across real estate and operators remain competitive through growth alignment and corporate citizenship strategies in an effort to boost brand trust and buy in from the consumer. In 2016, major hotel brands such as InterContinental Hotel Group, Hilton, and Marriott International were able to capitalise on a healthy travel demand, reaching high levels of occupancies that were used to leverage average room rates. This has resulted in steady earnings and revenue per available room (RevPAR), average daily rates (ADR) and other key performance indicators (KPI's), which have remained positive through the year (Deloitte, 2017:8).

Recent years have seen a global economic recession, which has had an impact on the South African hospitality industry. Despite this, data released by Statistics South Africa revealed that the total income generated by tourist accommodation increased by 13.8% in 2016 compared to 15.4% in 2015 (Schmidt, 2008:28). The food and beverage industry total income increased by 1.4% in 2016 compared to 1.00% in 2015, showing that both food and bar sales contributed positive annual growth rates of 1% and 6.4% respectively. This has proven that there is growth in the hospitality industry, which is linked to foreign tourism that is expected to grow considerably higher in 2017 due to the expansion growth of major hotel brands entering the South African markets, (Ntloedibe, 2016:3).

According to Ntloedibe, (2016:5), South Africa is a world-renowned destination due to wines and food that attract millions of tourists annually to the country, contributing tourism as a major contributor, and is one of the fastest growing industries in the South African economy that account for a total of 8.3% of the country's Gross Domestic Product in 2016. Ntloedibe, (2016:7) further maintains that the recent tourism figures released, according to international tourists in South Africa, has increased to 1.24 million foreign visitors in 2016, an increase of 14.4% from the 1.09 million foreigners who came to the country in 2015.

In South Africa, there is an estimated 30 000 establishments that fall into the hospitality industry, ranging from, game lodges, one to five-star hotels, guest houses,

B&Bs, hostels and self-catering venues. Within these establishments, game lodges represent the fastest growing segment and growing number of beds (Ntloedibe, 2016:8). The long-term outlook for the hospitality industry remains healthy, due to the growth in hotel development and world leading brands entering the market, allowing for foreign and domestic tourists. It is a key source of demand with the latest investment trend in South Africa to be M&A activities. The smaller and independent players in the industry are benefiting from the injection of capital expertise and infrastructure that is brought in through acquisition of large competitors allowing change management to occur (Ntloedibe, 2016:9).

2.12 POST-ACQUISITION INTEGRATION IN THE HOSPITALITY INDUSTRY

As the hospitality industries consolidate and expect to accelerate through 2017, they will be highly influenced by cross border activities at a macro and micro level such as change management in customer preference, technology and innovation, globalisation as well as the sharing economy (Schmidt, 2008:18). Jones Lang Laselle, (2017:6) state that in 2017, hotel brands will continue their venture with M&A activities to ensure that they capitalise on the acquiring brand values and culture. The success of their transaction is dependant principally on the acquiring brands' ability to integrate values and citizenship post acquisition, as the brands will have a different set of standard operating procedures and distinctive organisational citizenship.

This post integration will largely be dependent on the organisational support given by the acquiring brand (Teerikangas & Thanos, 2018:260). Acquisition transactions often fail due to poor post acquisition integration (Teerikangas & Thanos, 2018:260). The planning phase of the acquisition is integral for the development of the integration strategy, including identifying and adopting leading integration protocols that can develop and promote through organisational support to achieve long term success. It is important to note that post-integration will certainly require resources to build the necessary management models and tools.

Jones, Lang and Laselle, (2017:10) state that leading online software platforms provide organisations with mitigating operation challenges faced to manage risk and determine the value during the execution of the acquisition and enable them to support a successful integration.

These online platforms include the following tools, according to Jones Lang Laselle (2017:16):

- a pipeline model;
- a business portfolio model;
- a diligence model; and
- an integration and divestiture model.

The basis for successful integration is determined by the acquiring organisation's ability to determine the level of organisational support needed to develop the new brands values in alignment with its own. This would create a united front of organisational citizenship, uniting around a common culture and purpose (Global Hospitality Insights, 2017:10).

2018 sees the world more connected than ever, resulting in the organisations' success with integration. The two brands need to unite around a common culture to ensure future growth and development, and involve the organisation to embody its culture and purpose by engaging all stakeholders and employees during vital post-acquisition (Global Hospitality Insights, 2017:11; Schmidt, 2008:12). Iliyasu, Abidemi, Rahmat and Bannah (2018:199) maintain that each organisation will have its own distinctive culture, including differences in behavioural patterns, company vision, cultural values and understanding, linguistic differences and primarily, its own decision-making process.

According to Global Hospitality Insights (2017:12), organisational leadership should therefore be responsible for the following pre-integration:

- a culture assessment;
- planning;
- communicate with employees,
- create interim/transition policies; and
- culture training.

Operational inefficiencies and synergies that are unrealised pose a major risk to both organisations and have the potential to lead to an increase in operational costs. Hospitality organisations need to mitigate the impact of integration issues on a transaction and unite around a unified organisational culture to drive continuous improvement and growth. This would allow the now unified brand to position itself with strong future growth potential (Global Hospitality Insights, 2017:12).

2.13 CONCLUSION

This chapter provides a deeper understanding of the theoretical grounding in how M&As have formed part of the modern business world in general, and more specifically, within the hospitality industry. Literature from various academic disciplines was used to develop a deeper understanding of the theoretical objectives. Strategy can be described as performing a different set of activities or performing activities differently. Traditionally, strategic management is about formulating a long-term plan that needs to be executed through a formal deliberate process through following certain steps. Mergers and acquisitions (M&As) have been debatably the most popular and influential method of business investment in the modern era. M&A activity has revolved around the emphasis of growth, yet the reality is that approximately less than 40% accomplish the level of success that they initially set out to achieve.

Integrating M&A strategies is a complex robust process that requires insight, knowledge and synergy between employees and managers as this forms a crucial part of the successful integration. African cultures and customs influence how Africans see the world, although when it comes to a focus on managerial and business-related conduct, this directly conflicts with the entrenched western principles of management. This makes it even more challenging for Africans to spread their so-called 'philosophical wings of independence'.

A key player in the global economy is the hospitality industry that engages in an integral and robust role in changing the global landscapes through initiatives such as globalisation, innovation, technology, large-scale mergers and acquisitions as well as data analytics. Its division in businesses is being accelerated. The most basic division is between limited-service and full-service businesses, which are being tailored to specialised market needs within the industry.



CHAPTER 3

CONCEPTUAL MODEL AND HYPOTHESES DEVELOPMENT

3.1 INTRODUCTION

The previous chapter reflects on the theoretical perspective by focusing on a strategic management literature review based on the post-acquisition integration of a brand in the hospitality industry. This chapter focuses on the establishment of the research conceptual model and development of hypotheses through the literature review to determine the relationship that organisational support has on organisational citizenship through brand trust and brand satisfaction. Five hypotheses are formulated through the literature review and theoretical perspective for further empirical investigation.

The 'renaissance' of a business has previously focused on the financial and organisation performance, not on the business strategic management. Pradesa, (2013:24) declares that the changing nature of the business environment, job characteristics, the organisational fit and strategic fit challenge traditional views of business performance.

3.2 CONCEPTUAL MODEL

A conceptual model is a logical structure used as a schematic design to identify relationships between research variables that act as guidelines in the development of research (Sekaran & Bougie 2010:81).

According to Marriam (2009:67), a conceptual model is significant is for the reason that it "guides the research process in terms of the identification of relevant concepts/constructs, definition of key variables, specific hypotheses statement to be investigated, selection of a research design, choice of a sample and sampling procedures, data collection strategies, data analysis techniques and interpretation of findings".

In this research, the proposed conceptual model is constructed with one antecedent, namely, organisational support. There are two mediating variables, namely, brand satisfaction and brand trust which has one outcome variable: organisational citizenship.

The proposed conceptualised research model of this study with hypothesised relationships can be illustrated in Figure 3.1. The proceeding argument articulates the hypothesised relationships between the four constructs: organisational support, brand trust, brand satisfaction and organisational citizenship. This will be investigated and further discussed in detail through the literature review, developed the individual hypotheses.

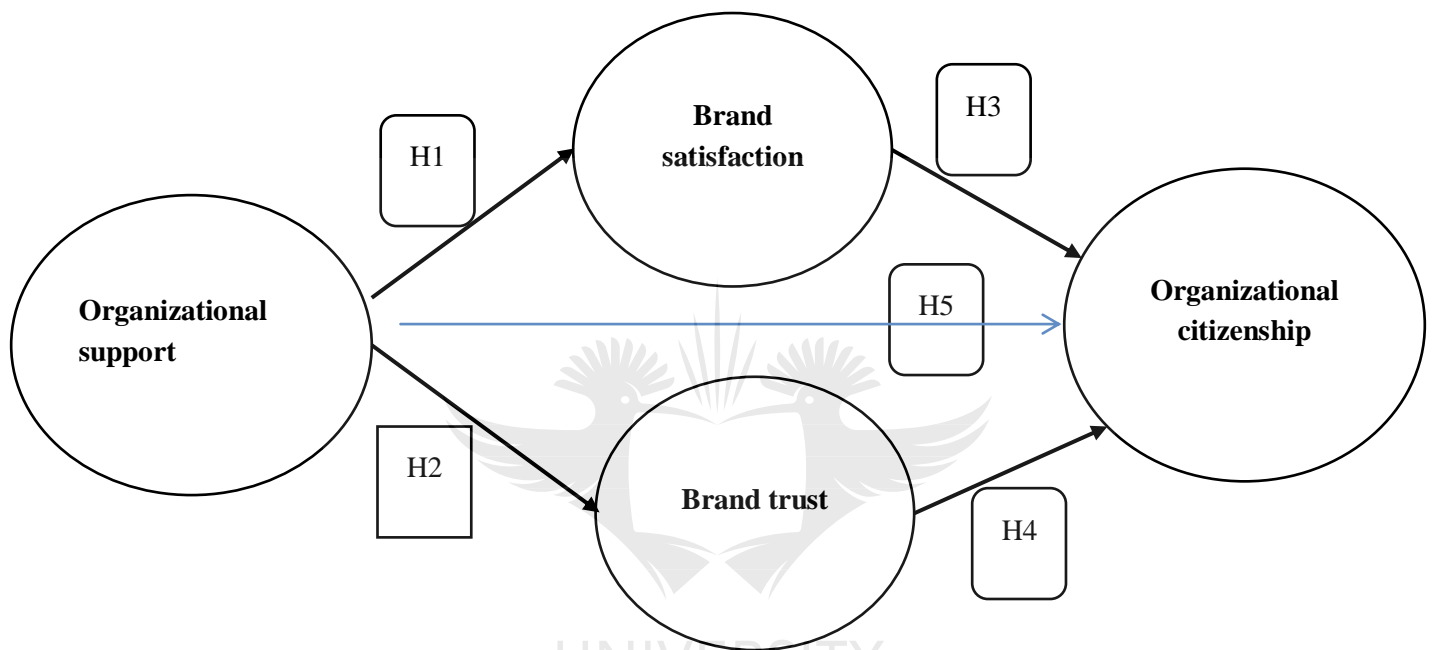


Figure 3.1: The Research Conceptual model

Source: Own model

3.3 EMPIRICAL REVIEW

3.3.1 Organisational Support

Eisenberger (1986:500) defines organisational support as employees form beliefs relating to the extent in which their organisation values their influence and cares about their well-being while fulfilling socio-economical needs. Allen, Armstrong, Reid and Riemenschneider (2008:556) describe organisational support as the degree in which the organisation values employees' contribution and cares about them. The growth of services has caused a streamline effect in organisational support, which has become increasingly important for its success (Riggle, Edmondson & Hansen, 2009:1027; Moran, Mcourt & Cox, 2018:3; Batsakis, Wood, Azar, & Singh,

2018:154). Employees have become directly involved in the creation of perceived customer value. According to Riggle et al. (2009:1027), superior levels of organisational support leads to increased job satisfaction.

Perceived organisational support is valued as assurance perceived by the employee that will be available from the organisation needed to carry out jobs effectively (Kim, Eisenberger & Baik, 2016:558; Denison & Ko, 2016:55; Batsakis et al., 2018:155). Kim, Eisenberger and Baik (2016:560) state that organisational support proposes that employees personify the organisation, infer the extent to which it values their contributions and cares about their well-being.

The construct for perceived organisational support focuses on the relationship between the employee and the organisation. Rhoades and Eisenberger (2002:701) argue that the treatment the employees receive from the management forms a global perception relating to the degree in which the organisation values their involvement and cares about their well-being (Rhoades & Eisenberger, 2002:705; Denison & Ko, 2016:55). According to Gouldner (1960), when employees have high levels of organisational support, this motivates them to assist in reaching its objectives and goals (Arshadi, 2011; Batsakis et al., 2018:156).



Figure 3.2: Constructs of Organisational Support

Source: Adapted from Rhoades, Eisenberger & Armeli, 2001.

Employees who are emotionally committed to the organisation show higher performance levels, reduced absenteeism and have a reduced chance of leaving the organisation (Mowday, Porter & Steers, 1982; Reuters, 2018:22; Batsakis et al., 2018:156). Levinson (1965) records that action taken by its employees are often viewed as indications of the organisations intent rather than accredited by the employees' intention. Furthermore, this embodiment of the organisation is abetted by its legal, moral, and financial responsibility by policies, norms and cultural continuity as employees base their view of favourable or unfavourable treatment as an indication that the organisation favours or disfavors them.

According to Kim, Eisenberger and Baik, (2016:577) employees reciprocate such perceived support with increased commitment, performance and devotion. On the

foundation of these assumptions, organisational support affords a general methodology to the role of mutuality norms in employee-employer relationships (Kim, Eisenberger & Baik, 2016:578; Boone, Lokshin, Guenter & Belderbos, 2018:278). The obligation to exchange caring for caring enhances the employees' affective commitment by fulfilling socio-emotional needs as an attachment with emotional support (Arshadi, 2011:1103; Boone et al., 2018:278). This fulfilment of needs produces a robust sense of belonging to the organisation, integrating the employees' citizenship and role status into their social identity, as the organisational support fortifies the employees' belief that it identifies and rewards their performance (Arshadi, 2011:1105; Lu & Seock, 2008:905; Boone et al., 2018:279).

Organisational support builds the foundation for the social exchange model of relations between employee and organisation (Pradesa, 2013:23; Francisco-Maffezzolli., et al. 2014:447; Reuters, 2018:22). This determines the organisation's readiness to reward increased work effort and meet socio-emotional needs to the extent that employees develop beliefs that it values their contributions and cares about their well-being (Pradesa, 2013:24; Batsakis et al., 2018:157). Pradesa, (2013:25) maintains that employees see their employment as a reciprocal exchange that extends beyond the formal contractual agreement on the basis that this would strengthen commitment to the organisation and increase their efforts, meaning that its perceived support is the commitment from the organisation to their employees.

Social exchange theorists have argued that the acceptance of resources and tasks from the organisation to the employee is valued higher if it is thought to be discretionary rather than dictated (Pradesa, 2013:25; Boone et al., 2018:278). Such voluntary aid is welcomed and indicates to the individual that the recipient feels genuinely valued and respected. Managers and supervisors within the organisation are seen its ambassadors, therefore their employees' receipt of favourable treatment will contribute to organisational support (Kim, Eisenberger & Baik, 2016:568). Kim, Eisenberger and Baik, (2016:570) state that the strength of the relationship depends on the degree to which employees identify the manager in the organisation as opposed to viewing the manager's engagements as idiosyncratic, but rather address the psychosocial processes underlining consequences of organisational support.

On the basis of reciprocity, organisational support produces a felt obligation that cares about its welfare and assist to achieve its objectives, which also fulfils socio-emotional needs that incorporates membership and role status of social identity (Kim, Eisenberger & Baik, 2016:574; Goecke, Michaelis & Schweizer, 2018:166). Organisational support should strengthen employees' beliefs that the organisation recognises and rewards increased performance with favourable outcome for the employee with increased satisfaction, heightened positive mood and the organisation with increased commitment and performance (Kim, Eisenberger and Baik, 2016:577; Lu & Seock, 2008:905; Boone et al., 2018:280). Pradesa (2013:25) states that the general outcome of organisational support is satisfaction and trust, which adds to the perceived differences to both constructs.

According to Kim, Eisenberger and Baik, (2016:575), the development of organisational support has been encouraged by the tendency of employees to assign the organisation with human-like characteristics that value them. Actions performed by employees are often viewed as indications of the intent of the organisation rather than attributed solely to the employee's personal motives. Kim, Lu and Seock (2008:908) state that this personification suggests that it is abetted by the organisation's policies, norms, culture and provocation that provide continuity and prescribe role behaviours of the power managers exert over individual employees. On the basis of the organisation's personification, employees will view their favourable or unfavourable treatment as an indication that the organisation favours or disfavors them (Kim, Eisenberger & Baik, 2016:578; Goecke, Michaelis & Schweizer, 2018:168).

3.3.2 Brand Satisfaction

Satisfaction of a brand can be described as the result of evaluating positive outcomes developed by the employee's experience of a certain product (Kasmer, 2005:4). Brand satisfaction is created after this process and is a key factor in determining repeat business (Kasmer, 2005:4; Reuters, 2018:22). Chinomona, Mahlangu and Pooe (2013:5) specify that satisfaction arises when the performance of a brand meets the expectation of the consumer. Moreover, Nam, Ekinici and Whyatt (2011:1009) define brand satisfaction as a summary of direct consumption practice based on the unpredictability between prior expectation and the actual

performance perceived after consumption. However, Chinomona et al. (2013:5) expresses brand satisfaction as the cumulative satisfaction of the overall consumer's evaluation based on her/his total purchase and experience with a brand of product or service. According to Kasmer (2005:4), the consumer's satisfaction level is effective in creating brand trust by directing the purchasing power towards repeat business. This only occurs after a provisional test of the brand which directs the consumer's decision to repurchase.

The positive attitude a consumer develops as a result of evaluating an experience with a certain product is known as satisfaction and is the precursor of brand loyalty created after this process, and is measured by the consumer's decision to repurchase (Kasmer, 2005; Deloitte, 2018:20). Satisfying customers is a difficult process if brand trust is not gained, as trust affects customer satisfaction (Erciş et al., 2012:1396).

Branding is central to creating consumer value; and by using it is a key instrument to create and sustain competitive advantage (Holt, 2015; Namada, 2018:9). This process also creates a relationship between an organisation's product or service with emotional perception for the purpose of generating segregation among competition and developing satisfaction among employees (Holt, 2015; Deloitte, 2018:21).

Managing satisfaction is an integral part in using specific techniques to increase perceived value of the brand, differentiating activities to build loyal employees through positive associations by using the psychological linkage of the brand image and the employees to stimulate the consumer's purchasing and repurchasing (Chovanová, Korshunov & Babčanová, 2015:616; Namada, 2018:10).

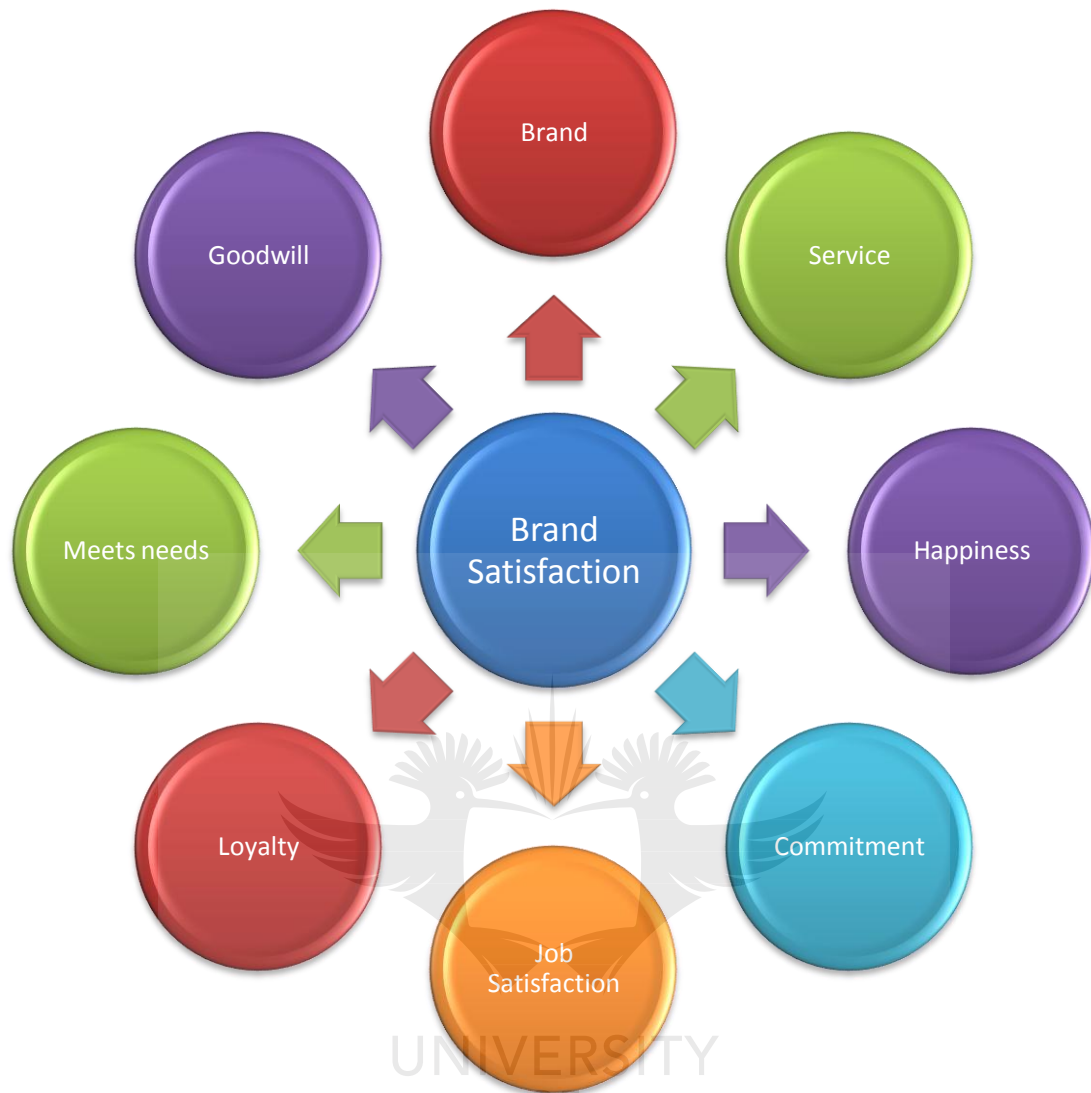


Figure 3.3: Constructs of Brand Satisfaction

Source: Adapted from Salinas & Perez, 2009.

Branding initially was used to distinguish between tangible products, but over the years has been found to be applicable for differentiating people, places and businesses (Du Preez & Bendixen, 2015:79; Namada, 2018:9). Stepping away from the traditional association of distinguishing with branding, businesses are attempting to use this advantage through internalisation of brand in their association and aligning their employees with the brand values, which could achieve a sustainable competitive advantage by creating satisfaction and trust (Du Preez & Bendixen, 2015:79). Additionally, Du Preez and Bendixen (2015:85; Reuters, 2018:2) observe that brand orientation and internal marketing were found to have an impact on the

business's internal brand equity, and that satisfaction has a direct and positive impact on the brand's orientation, therefore has an indirect and positive impact on internal brand equity which may help business improve financial performance through awareness of internal equity of the employees, incorporating impressions that create trust.

Brand satisfaction and brand trust provide primary and distinct points between competitive offerings that are critical to the success of the organization, which affects perception of it (Du Preez & Bendixen, 2015:88; Francisco-Maffezzolli et al. 2014:447). The importance of internal branding determines the realisation of the business success because organisations with successful brands have internally coherent cultures. Employees furthermore know how to behave toward their target audience and become customer-conscious, which leads to organisational citizenship (Du Preez & Bendixen, 2015:89).

Building a brand driven organisational citizenship is a task that requires considerable effort and support to achieve the desired mindset, resulting in intangible outcomes such as brand satisfaction and brand trust (Du Preez & Bendixen, 2015:91).

3.3.3 Brand Trust

Trust is described as the belief of reliability, integrity and honesty from one side to another (Riggle et al., 2009: 1027; Cho & Arthurs., 2018:3). Brand trust is expressed by the employee who believes that the brand will fulfil and satisfy certain needs such as competence, compassion and morality. Trust establishes an important bond between brand and consumer that is a determining factor in creating brand satisfaction (Riggle et al., 2009:1027; Bansal, 2016:56). Kabadayi and Alan (2012:80) define brand trust as the inclination of the consumer to depend on the ability of the brand to perform its quantified purpose. Brand trust is created and established by direct experiences from the consumer and arises after consumer evaluation. According to Saunders et al. (2009:1359-1), a consumer who trusts the brand will be satisfied and will be more prepared to commit to it. Brand trust provides an ideal quantifiable measure to examine the consumer's behavioural response and, in turn, brand satisfaction.

Trust is expressed as a belief that the brand will fulfil certain functions for the consumer (Erciş et al., 2012:1395; Cho & Arthurs., 2018:4) Moreover, Erciş et al. (2012:1397) state that the factors include competence, philanthropy and morality as characteristics of trust. A consumer who trusts the brand will show commitment to it and will be satisfied (Angulo-Ruiz & Pergelova, 2013:335; Bansal, 2016:58), The persistent desire to continue the relationship with a brand is divided into two aspects, namely, affective and continuance (Erciş et al., 2012:1398).

Affective commitment is the emotional attachment to a brand, which represents a sense of personal identification (Erciş et al., 2012:1391). Affective commitment is based on the identification and shared values of the brand (Angulo-Ruiz & Pergelova, 2013:335). In order to achieve commitment and develop trust, organisations must be internally coherent with a culture which leads the organisation towards reaching objectives and goals (Du Preez & Bendixen, 2015:91; Cho & Arthurs., 2018:5). According to Baumgrth and Schmidt (2009), corporate culture is an important motivator of employee behaviour, which needs to be aligned with brand values to reach a brand-driven culture that adds value to the organisation.

Baumgarth and Schmidt (2009) propose that brand equality instruments that effect incremental internal branding on an employee's behaviour have driving forces on self-esteem, a significant precursor on the employee's willingness to support the brand's structure, which affects how they as individuals fit into the organisation now and in the future.



Figure 3.4: Constructs of Brand Trust

Source: Adapted from He, Li & Harris, 2012.

3.3.4 Organisational Citizenship

Organisational citizenship is a perception that businesses want but do not often achieve. It is rooted from an individual employee's view and values of the business and how she/he can be associated with it. Organisational citizenship consists of three elements (Benliogu & Basken, 2014; Galavotti, 2018:241), which include acceptance of the organisation's values and principles; willingness to work on behalf of the organisation, and the motivation to remain within the organisation (Benliogu & Basken, 2014; Porter et al., 1974 Deloitte, 2018:23). Organisational citizenship is a clear measure of employee authority and empathy, which he/she values in the organisation and continues to be involved in. It can also be an improved indicator of the employee's willing to stay at work or has the ability to change (Ahmad, Iqbal, Javed, & Hamad, 2014:85; Bansal, 2016:56). Ahmad et al. (2014:85) state that organisational citizenship refers to employees' attachment, identification with and

involvement in the business. The institutionalisation and strengthening of organisational citizenship principles can be influenced by job characteristics that promote a beneficial venture that contains individual, organisational and societal behavioural interests (Pouramini & Fayyazi, 2015:9; Galavotti, 2018:242; Kimberly, Ellis & Lamont, 2017:243; Gomes, Mellahi, Sahadev & Harvey, 2017:583).

Pouramini and Fayyazi, (2015:9) further state that there is a significant correlation between job experience and satisfaction with organisational commitment. However, there is no correlation between job motivation and organisational commitment. In all industries and sectors alike, the ideology is for employees to work over and above their assigned duties, and managers seek those who are willing to exceed expectation, thus defining their organisational citizenship as being high (Angulo-Ruiz & Pergelova, 2013:335; Galavotti, 2018:242). In this regard, the most important issue is the satisfaction towards the brand that suggests that organisational citizenship behaviour would boost the efficiency of the business as employees who are satisfied with their condition can be seen to show extra role behaviour (Pouramini & Fayyazi, 2015:9). Furthermore, innovative and impulsive characteristics that show citizenship is cooperation, brand protection, creative ideas, self-education and maintaining a positive favourable attitude (Pouramini & Fayyazi, 2015:9; Kimberly, Ellis & Lamont, 2017:244; Gomes, Mellahi, Sahadev & Harvey, 2017:583).

Organisational citizenship refers to employees' desired behaviours and is voluntary with no direct relation to a formal reward system in the organisation and not designed to evaluate performance. In other words, the structure of organisational citizenship seeks to identify, manage and assess the influence on organisational efficiency improvement (Francisco-Maffezzolli et al., 2014:447; Galavotti, 2018:244).

Du Preez and Bendixen, (2015:80) state that achieving loyal employees through building internal equity is important as the elements that are influential on internal equity, support and affect the brand orientation of the corporate culture. Corporate culture is one of the most significant motivators of employee performance and attitudes, which needs to be aligned with the brand values (Piercy & Peattie, 1988; Kimberly, Ellis & Lamont, 2017:244). Baumgarth and Schmidt (2009) found that a brand-orientated corporate culture has a powerful impact on internal brand equity and reflects a relationship with satisfaction. Angulo-Ruiz and Pergelova, (2013:337)

believe that a good organisational citizenship does not only take cognisance of current organisational issues but also their communication to rectify them, which is important to overall satisfactory cognitive-emotional consciences.

Promoting organisational citizenship principles is of beneficial investment interest as it strengthens job characteristics and satisfaction. It can be said that organisational citizenship has behavioural efforts by employees over and above what is expected.

Sadeghi, Ahmadi and Yazdi, (2016:320) state that prior research has demonstrated that perceived organisational support is related to organisational behaviour. Strengthening the organisational citizenship needs to be encouraged and promoted by corporate managers that set appropriate policies and strategies in an attempt to highlight corporate citizenship (Serpian, Swasto & Utami, 2016:160; Galavotti, 2018:245).

The relationship between organisational characteristics and organisational citizenship have cluttered features. None of the organisation's conventionalism, institutional inflexibility, employee upkeep and space distance has had continued relationship with citizenship, (Sadeghi, Ahmadi & Yazdi, 2016:322; Deloitte, 2018:20). Conversely, the aspect of group correlation has had an active association with all the mechanisms of organisational citizenship and perceived organisational support was significantly linked with staff altruism. In addition, the recompenses beyond the control of management and leadership had negative relations with elements of altruism, work ethic and civility.

Other factors effecting organisational citizenship is the leadership's behaviour divided into two categories: transformational and interactive. Transformation leadership is the fundamental change in behaviour of setting and upgrading goals, performance and intellectual stimulation, and is positively correlated with the components of organisational citizenship. Interactive leadership is about rewarding and punishing contingent and non-contingent behaviours, which relates to organisational citizenship where contingent rewarding has a positive relationship and non-contingent punitive behaviour a negative relationship (Sadeghi, Ahmadi & Yazdi, 2016:323; Gomes, Mellahi, Sahadev & Harvey, 2017:583; Galavotti, 2018:245).



Figure 3.5: Constructs of Organisational Citizenship

Source: Adapted from Allen & Meyer, 1990.

3.4 HYPOTHESES DEVELOPMENT

Research hypotheses is an empirical proposition or statement predicted by the researcher to statistically assess and find a solution to a research problem or question formulated scientifically through observation (Singh & Bajpai 2008:91; Cooper & Schindler 2003:118; Kimberly, Ellis & Lamont, 2017:245). The hypotheses that have been developed will be statistically analysed and can either be confirmed statistically significant (H_a = alternative hypotheses) or null statistically significant (H_o = null hypotheses) through the research study findings (Cooper & Schindler 2003:118).

3.4.1 Organisational Support and Brand Satisfaction

Effective organisational support through trust and satisfaction explains the deep attachment to focused brand development (Erciş et al., 2012:1397). Trust and satisfaction are important elements to ensure the longevity of organisational citizenship and is explained as antecedent of loyalty and organisational citizenship (Erciş et al., 2012:1400; Jap 2001:21; Wu, Chuang & Hsu 2014:122).

Organisational support provides clear, readily testable predictions regarding antecedents and outcomes with specificity of assumed processes that will allow ease of testing these empirically in the constructs of brand trust, brand satisfaction and organisational citizenship. Erciş et al. (2012:1401) maintain that the role of satisfaction on loyalty is weak while brand trust and organisational commitment have an important effect in the creation of an emotional commitment to the brand, resulting in repeat purchasing to enhance organisational performance (Hakansson & Ford 2002:25; Yu, Jacobs, Salisbury & Enns 2013:346).

Social identity influences perceptions and evaluations of issues and events with employees increasingly identifying with the brand that can lead to enhanced effects such as stronger loyalty (So et al., 2013:34). Research concerning employees and hotel brand loyalty is very limited. So et al. (2013:35) researched the relationship between citizenship and satisfaction and found that when evaluating a hotel brand, the employee will be more satisfied with the brand when it enhances their positive image within a social group and contributes to a sense of belonging (So et al., 2013:35).

The following hypotheses is thus formulated:

H₁: There is a positive and significant relationship between organisational support and brand satisfaction

3.4.2 Organisational Support and Brand Trust

The concept of identification maintains that the self-concept comprises personal identity that encompasses salient group classifications and on the basis of the reciprocity norm obliged to exchange caring for caring, which enhances the commitment to the personified organisation (Kim, Eisenberger & Baik, 2016:579). This occurs when employees see themselves intertwined with the characteristics of

the organisation that assist in satisfying one or more self-defined needs (So et al., 2013:32).

Brand trust is enhanced by the hotel's brand identity and serves as a significant determinant of brand loyalty, which leads to commitment and creates an exchange relationship. Therefore, according to So et al. (2013:38), loyalty and commitment motivate the progress to acquire and maintain an appreciated and significant relationship, created by trust within the organisation (So et al., 2013:38). Trust refers to an enduring desire to continue the relationship with the brand, allowing employees to develop an affective bond and attachment to the brand, representing a strong sense of personal identification based on shared values (Erciş et al., 2012:1402).

The following hypotheses is thus formulated:

H₂: There is a positive and significant relationship between organisational support and brand trust

3.4.3 Brand Satisfaction and Organisational Citizenship

Organisational citizenship is of a discretionary nature that is not part of the employees' formal requirements but contributes to the effective functioning of an organisation and enables an organisation to have a decrease in employee turnover and a positive effect on employee satisfaction (Serpian, Swasto & Utami, 2016:158; Kim 2009:329; Global M&A Outlook, 2018:18). It also refers to an employee's belief in the goals and values of the organisation and is an effective response to the degree of attachment and loyalty employees feel towards it (Serpian, Swasto & Utami, 2016:159; Yeung & Cheng 2012:355). Najafi et al. 2011:21) state that when an employee reaches satisfaction, he/she feels a pleasurable emotional state resulting in improved performance, which, simply put, is the extent to which an employee enjoys his/her job and forms a trust relationship.

Sadeghi, Ahmadi and Yazdi, (2016:318) found that when employees enjoy their job there was a positive relationship between satisfaction and organisational citizenship; while job duplication has a negative relationship with organisational citizenship, ensuring the validity of improved productivity and efficiency. The following hypotheses are thus formulated:

H₃: There is a positive and significant relationship between brand satisfaction and organisational citizenship

3.4.4 Brand Trust and Organisational Citizenship

Research conducted by Keh and Xie, (2009) found that trust is an antecedent of an identified correlation as consumers tend to identify with trustworthy organisations or brands to prompt their self-definition as well as enhance self-worth. Brand identification may provide a platform for brand trust as trust is developed predominantly from past experience (So et al., 2013:32; Yeung & Cheng 2012:353; Global M&A Outlook, 2018:20). So et al. (2013:33) iterate that when organisations performance exceeds expectation, consumers are reassured of their psychological attachment with the brand, which in turn helps the consumer reach satisfaction. Analogously, this relationship may extend to the process of organisational citizenship. A study conducted by Rampl and Kenning (2014:218) attempted to close the research gap between organisational citizenship in employer brand attractiveness and brand trust. The results specify that brand trust and organisational citizenship have a positive relationship.

The following hypotheses is thus formulated:

H₄: There is a positive and significant relationship between brand trust and organisational citizenship

3.4.5 Organisational Support and Organisational Citizenship

According to Singh, (2013:119), organisational citizenship is essential for the efficiency and effectiveness of a functioning organisation. However, it takes on a form that is discretionary in nature and is not driven by any formal reward system the organisation has in place. Singh (2013:118) conducted a study to examine the mediating role organisation support has on organisational citizenship. The research conducted surveyed 188 personnel to obtain validity and reliability. The results indicated that there is a significant and positive relationship between organisational support and organisational citizenship (Singh, 2013:124).

A more recent study conducted by Anggraeni, Dwiatmadja, and Yuniawan (2017:2) had the objective to empirically diagnose the effect of psychological contract and organisational support on the organisational commitment and organisational citizenship. The results showed that organisational citizenship is influenced by organisational support derived through the ability of the organisation's understanding of needs and expectations of employees' self-development (Anggraeni, Dwiatmadja, & Yuniawan, 2017:8).

The following hypotheses is thus formulated:

H₅: There is a direct relationship between organisational support and organisational citizenship

3.5 CONCLUSION

Chapter three illustrates the research conceptual model used in this study. Furthermore, hypotheses were developed. The first section discusses literature in order to gather an understanding of each construct. The second section found relationships and the hypotheses developed from the relationships observed. Organisational support is valued as assurance perceived by the employee, available from the organisation, needed to carry out one's job effectively. The construct for perceived organisational support focuses on the relationship between the employee and the organisation. Brand satisfaction and brand trust provide primary points of distinctiveness between competitive offerings that are critical to the success of the organisation as this affects the perception of the business. Trust is developed by believing in the reliability and honesty from one side to another and is expressed as a belief that the brand will fulfil certain functions for the consumer. Organisational citizenship refers to the employees' desired behaviours, which is voluntary with no direct relation to a formal reward system in the organisation and not designed to evaluate performance. In other words, the structure of organisational citizenship seeks to identify, manage and assess the influence on organisational efficiency improvement.

Based on the above research, the following hypotheses are stated:

H₁: There is a positive and significant relationship between organisational support and brand satisfaction.

H₂: There is a positive and significant relationship between organisational support and brand trust.

H₃: There is a positive and significant relationship between brand satisfaction and organisational citizenship.

H₄: There is a positive and significant relationship between brand trust and organisational citizenship.

H₅: There is a direct relationship between organisational support and organisational citizenship.



CHAPTER 4

RESEARCH STRATEGY AND METHODOLOGY

4.1 INTRODUCTION

In chapters two and three the literature objectives were explored and the research hypotheses set. This chapter focuses on explaining the research methodology employed in the empirical part of the study. The sampling method and data collection method are discussed. Data analysis and statistical techniques are outlined.

4.2 RESEARCH STRATEGY

According to Fox (2007:67), qualitative data analysis requires a continuous level of creative judgments and the ability to reason without prejudice, due to the complexity and lack of capacity needed to derive accurate assumptions from qualitative research findings. A quantitative method expresses research in a form of numerical findings, where the relation between relative data can be analysed in terms of numbers that may be quantified (Fox, 2007:70).

A quantitative research method was more suitable for this study as it would generate numerical information from the research data that can be quantified on scale. Furthermore, the researcher wanted to measure the relationship between organisational citizenship and organisational support through brand trust and brand satisfaction by using a measuring tool with a large sample size. The researcher studied the theoretical objectives of the study by identifying the relationship between the constructs designed in chapter three.

According to Welman and Kruger (2002:19), the purpose of research theories and research problems is to define, explain and consequently predict, and even modify or control human behaviour, its organisation, products and events. Empirical research formed the primary source of data collection by means of questionnaires that were completed by employees from the various properties.

4.3 RESEARCH APPROACH

The purpose of this study is to examine the power of organisational support, brand satisfaction and brand trust on organisational citizenship for employees in the post-acquisition integration of a global hotel brand. Bryman, (2016:99) indicated that

quantitative research is concerned with measurement between related variables, which indicates that quantitative research is more suitable for this study. Quantitative research is the manoeuvring and depiction of numerical data. This includes any research methods that produce hard numbers which can be turned into statistics, (Bryman, 2016:99). Qualitative research is based on exploratory research and is best suitable in gaining an understanding of fundamental phenomena. The data collection techniques are varied in the use of unstructured or semi-structured methods. Quantitative research is used to quantify the research information by generating numerical data that is manoeuvred into usable statistics (Bryman, 2016:104).

Observations of the data are used to describe and explain the phenomenon that those observations reveal (Bryman, 2016:98). The use of this method allows for evidence-based decisions and findings Hohmann (2006:26). This method permits the researcher to be independent from that being researched.

Creswell (1994) describes research that is quantitative and one that explicates information by means of drawing numerical data that is analysed using mathematically statistical methods such as regression (Singh, 2007:89). This leads to prediction, explanation, and understanding of the research problem. From this, tentative hypotheses can be formulated and explored to reach general, developing conclusions.

4.4 SAMPLING

Sampling is the collection of units that are selected from a population in order to study it (Polit & Hungler, 1999:37). According to Kothari (2004:34), a sample design is an explicit plan to obtain a sample from the population, which refers to the technique and the method that the researcher would take up to select of the sample.

The population consists of businesses in the hospitality industry within Southern Africa. According to FEDHASA (Federated Hospitality Association of Southern Africa), the hospitality industry in Southern Africa is the most developed in Africa and as such is suitable for this type of research-based study.

Specifically, the sample was the hotels chosen that were all recently acquired by X Hotel group. Employees were selected through filtering by means of the

questionnaire; only employees that had been employed for both brands were used. Geographically, the hotels chosen were in Southern Africa. The aim was to acquire a minimum of 350 completed questionnaires. Field work was completed and a total of 235 valid questionnaires were collected, representing a response rate of 67%.

Kothari (2011:35) recommended seven points in considering the selection of a sample, which guided the researcher during the field work process of data collection. Adapted from Kothari, the following steps were taken:

1. define the sampling universe;
2. know what sampling element to judge;
3. identify the necessary features of the population that the sample would be selected from;
4. determine the size of the sample;
5. shape the specific characteristics of the sample;
6. determine the budgetary limitation to conduct the research; and
7. decide on the type of sampling method to use.

4.5 TARGET POPULATION

The target population is defined as the number of individuals totalled from the idea of where the sample is drawn (Lathman, 2007:1). In this study the target population were all the hotel employees working within X hotels who were employed at the time the acquisition took place, specifically in hotels located in and around Southern Africa.

4.6 SAMPLING FRAME

A sampling frame is the source from which a sample is drawn. It is a list of all those within a population who can be sampled (Westfall, 2009:7). For this study, the sample frame was a list of employees who were employed by the previous hotel brand at the time of the acquisition and who are still employed by the new brand, specifically the employees of the focal hotel group located in Southern Africa.

4.7 SAMPLE SIZE

Since the study used SEM, it is recommended that 200 or more respondents are required, for example, $N = 200$ (Hoogland & Boomsma, 1998; Boomsma &

Hoogland, 2001; Kline, 2005). According to Westfall (2009:7), an attempt to increase reliability would require the sample size to be as big as possible, around the 200 mark.. Sample size is important for accurate data analysis. The sample size for this study was 350, with 235 having responded.

4.8 SAMPLING TECHNIQUE

According to Lathman (2007:4), there are two broad types of sampling, namely, probability and non-probability methods. Probability sampling is defined as having a distinguishing characteristic that each unit in the population has an equal probability of being included in the sample (Lathman, 2007:4).

This study employed simple random sampling as this technique reduces the chance of a sampling error. It is effective in that it uses a subset of the population that has a common characteristic. In this study the common characteristic required is that the population were previous employed by the brand before the acquisition by the focal hotel group.

4.9 OPERATIONALISATION OF THE MEASUREMENT INSTRUMENTS

The measurement instrument which was used in the study was adapted from previously validated instruments from existing literature. For all the constructs, a 5-point Likert scale was used to measure the respondents' responses. The questionnaire used for this research consists of five sections. Section A elicits demographic information from the respondents. Section B elicits questions on organisational support adapted from Rhoades, Eisenberger and Armeli (2001). The items in section C measure brand satisfaction adapted from Salinas and Perez (2009) while section D items measuring brand trust were adapted from He, Li and Harris (2012). Finally, section E elicits responses on organisational citizenship adapted from a study by Allen and Meyer (1990).

4.10 DATA COLLECTION METHOD AND PROCEDURE

Data collection is one of the most important aspects to any research. To ensure correct data will be collected, a questionnaire was used in this study. A questionnaire is an effective method as it can be used to collect data from a large population (Westfall, 2009:7).

The study used continuous data collection tools. Continuous data is information that can be measured on a scale and can have almost any numeral value that can be subdivided into various elements depending on the measuring instrument. The nature of the data collection tool that the researcher utilised is of a survey nature in which he distributed questionnaires to his sampled population.

The questions used were to evaluate the relationship between organisational support on organisational citizenship. These questions were rephrased in order to suit the hospitality industry.

4.11 DATA ANALYSES

Data analysis denotes the application of applied knowledge to make sense of the collected data (Bryman, 2012:15). It is defined as an approach which summarises collective data in an attempt to be easily understood and can be represented through graphs or tables (Wild & Diggines, 2011:180). In this study, descriptive statistics and SEM were used to analyse data.

In this study, the collected data was coded into an excel spreadsheet before it was transferred. Data coding is important to the research, as it involves turning data into information (Curtis & Curtis, 2011:89). The Statistical Package for the Social Sciences (SPSS) was used to extract descriptive statistics to analyse attributes of each variable to measure their mean and standard deviation.

4.12 DESCRIPTIVE STATISTICS

Descriptive Statistics was used to determine the strength of the relationship between a dependent variable and an independent variable and also test the hypotheses in question (Myers et al., 2010a). The use of this method allows for an error-free analysis of data on values of all variables included in the research. Descriptive statistics assumes that for the value of the independent variable, values of the dependent variable are generally distributed on a mean. The use of the regression method allows the dependent and independent variables to produce an equation that approximates the functional relationship between the data interpretation, ensuring validity and reliability of the data (Keller, 2013:27; Myers et al., 2010a). This technique makes use of standard deviation represented to quantify the amount of

variation between a set of data values and is expressed in the same units as the data.

4.13 RELIABILITY AND VALIDITY

Golafshani (2003:597) states that the validity and reliability of a quantitative study determines how reliable and valid the research results are and as a result, if the researched data is managed and measured in the intended way.

Validity can be described as the measurement of a concept that is apprehensive with the degree in which an investigation produces a measurement instrument that is believed to be quantifiable and that it actually measures what it is supposed to (Kimberlin & Winterstein, 2008:10). Kimberlin and Winterstein (2008:10) indicate that there are various types of accepted forms of validity, such as construct validity, content validity and predictive validity. In this study, convergent and discriminant validity was used.

- Convergent validity evaluates the degree in which two measures of the same concept are correlated and the validity tested using the following tools (Fraering & Minor, 2006:285):
 1. factor loadings;
 2. correlation matrix; and
 3. Average Value Extracted (AVE) that demonstrates the total variation to highlight that the underlying constructs are accounted for and have values higher than 0.5 (Fraering & Minor, 2006:289).

The following formula was used to calculate average variance extracted (AVE):

$$V\eta = \frac{\sum \lambda y_i^2}{(\sum \lambda y_i^2 + \sum \epsilon_i)}$$

- Discriminant validity is the degree in which multiple conceptually similar concepts that are different from each other can be seen on a correlation matrix and on the Average Variance Extracted. In achieving a high discriminant validity, it would mean that correlations among the latent constructs should be less than 1 (Fraering & Minor, 2006:287).

Reliability is the degree in which an assessment mechanism constructs stable and consistent results (Tavakol & Dennick, 2011:53). Reliability will be determined using the following:

1. Cronbach Alpha co-efficient, which provides a measure of the internal consistency of a test or scale, and is expressed as a number between 0 and 1. It is recommended that the co-efficient Alpha value be more than 0.70 to ensure internal consistency and overall reliability (Tavakol & Dennick, 2011:53).

4.14 STRUCTURAL EQUATION MODELLING (SEM)

This study used SEM to test the proposed model. SEM is a multivariate statistical analysis technique used to analyse the structural relationships between measured variables and tested hypotheses (Tenenhaus, 2008:872). The Analysis of Moment Structures (AMOS) and Statistical Package for the Social Sciences (SPSS) were used to conduct confirmatory factor analysis (CFA) and path modelling.

CFA is a statistical technique that is used to verify the factor structure of the constructs and specifically deals with observed and latent variables (Tenenhaus, 2008:874). CFA attempts to confirm hypotheses and uses path analysis diagrams to represent variables and operates on the notion that measurable variables can be reduced to fewer latent variables that share a common variance, i.e. reducing dimensionality (Zelkowitz & Cole, 2016:123).

A model fit approach was used to test the overall model fit as well as validity and reliability. Path modelling was also used as this describes the relationships between measured variables and theoretical constructs, which tests the structural paths of the conceptualised research model (Zelkowitz & Cole, 2016:125). The measurement model fit indices also provide a confirmatory assessment of validity (Zelkowitz & Cole, 2016:126).

Model fit indices determines how well a model fits the sample data that then demonstrates which proposed model has the superior fit and reflects underlying theory (Hooper et al., 2008:53).

➤ **Chi-Square (CMIN)**

- The Chi-Square value assesses the scale of discrepancy between the sample and fitted covariance matrices and is the traditional measuring tool for evaluating overall model fit (Hooper et al., 2008:24). Hooper et al. (2008:24) state that the recommended range from as high as 5.0 to as low as 2.0.

➤ **Goodness-of-fit statistic (GFI)**

- “The Goodness-of-Fit statistic (GFI) was created by Jöreskog and Sorbom as an alternative to the Chi-Square test and calculates the proportion of variance that is accounted for by the estimated population covariance” (Hooper et al., 2008:54). The value must be greater than or equal to 0.90, which indicates an acceptable model fit (Chen, Sui, Song, and Rempala, 2018:1932; Hooper et al., 2008:25).

➤ **Root mean square error of approximation (RMSEA)**

- RMSEA evaluates the covariance structural model and explains how well the model with parameter estimates fits the population covariance matrix (Tenenhaus, 2008:878). A good model fit is if RMSEA is less than or equal to 0.08 (Hooper et al., 2008:54 & Burmann & Zeplin, 2005:278).

➤ **Bentler-Bonett Index or Normed Fit Index (NFI)**

Hooper et al. (2008:55): “This statistic assesses the hypothesised model by comparing the χ^2 value of the model to the χ^2 of the null model”. According Zelkowitz and Cole (2016:127), the designated NFI values range between 0 and 1.

➤ **Tucker Lewis Index (TLI)**

The Tucker Lewis Index uses a simple model that is known to address issues of sample size and the recommended values must be greater than or equal to 0.90 (Hooper et al., 2008:56; Burmann & Zeplin, 2005:279; Zelkowitz & Cole, 2016:129).

➤ **Comparative Fit Index (CFI)**

The comparative fit index analyses the model fit by assessing the differences between the hypothesised model and the data and is an indication of acceptable model fit if the value is greater than or equal to 0.90 (Hooper et al., 2008:56; Burmann & Zeplin, 2005:280; Zerkowitz & Cole, 2016:130).

➤ **P of Close Fit (PCLOSE)**

PCLOSE is a measure that provides a one-sided test of the null hypotheses that the RMSEA equals .05. This is called a close-fitting model (Hooper et al., 2008:58; Burmann & Zeplin, 2005:279; Zerkowitz & Cole, 2016:132).

4.15 CONCLUSION

This chapter focuses on explaining the research methodology employed in the empirical portion of the study. A quantitative research method was more suitable for this study as it would generate numerical information from the research data that can be quantified on scale. The sampling method and data collection method was outlined and discussed. The population consists of businesses in the hospitality industry within Southern Africa. Data analysis and statistical techniques were also outlined. The nature of the data collection tool that the researcher utilised is of a survey nature, in which the researcher distributed questionnaires to his sampled population.

Statistical techniques and methods were used in this study. Techniques used include descriptive statistics, convergent and discriminant validity, Cronbach alpha for reliability, confirmatory factor analysis (CFA), and structural equation modelling (SEM). CFA attempts to confirm hypotheses and uses path analysis diagrams to represent variables and operates on the notion that measurable variables can be reduced to fewer latent variables that share a common variance, i.e. reducing dimensionality. A model fit approach was used to test the overall model fit as well as validity and reliability. Path modelling was also used as this describes the relationships between measured variables and theoretical constructs which tests the structural paths of the conceptualised research model.

In the next chapter, the interpretation and reporting of findings are discussed.

CHAPTER 5

INTERPRETATION AND PRESENTATION OF RESULTS

5.1 INTRODUCTION

In the previous chapter, the research strategy of this study is outlined. The measuring instruments, the statistical analysis approach applied and the research process that was followed are explained and motivated.

The purpose of this chapter is to interpret and present the findings that were obtained through empirical investigation to identify the descriptive statistics, the mean, standard deviation, reliability and validity of all the constructs. To retrieve this information, the data was subjected to Statistical Package for Social Sciences (SPSS). Following this, structural equation modelling (SEM) was conducted to test the research hypotheses to achieve the empirical research objectives.

5.2 EMPIRICAL RESEARCH OBJECTIVES

In accordance with the purpose of this study, the following empirical objectives were researched:

- to establish the relationship between organisational support and brand satisfaction among employees in a post-acquisition period of a global brand;
- to establish the relationship between organisational support and brand trust among employees in a post-acquisition period of a global brand;
- to establish the relationship between organisational support and brand trust among employees in a post-acquisition period of a global brand; and
- to establish the relationship between brand satisfaction and organisational citizenship among employees in a post-acquisition period of a global brand.

5.3 DESCRIPTIVE STATISTICS

This section delivers the overview of the demographic information of the respondents that were surveyed in this study. Respondents' responses were shown on the 5-point Likert scale designed as the measurement tool being the main constructs of this research. First, data analysis of the descriptive statistics was used to discuss the questionnaire, which includes means, standard deviation and ranges of scores. The descriptive statistics for the whole N=235 was reported as follows: Section A depicts

demographic information from the respondents. Section B, elicited responses on organisational support. Section C measures brand satisfaction. Section D measures brand trust. Finally, section E elicits responses on organisational citizenship.

5.3.1 Section A – Demographics

Section A of the questionnaire provided demographic information relating to gender, age, job level and most importantly to whether they were with the company pre-acquisition integration. The following table depicts the demographics of the sample population.

Table 5.1: Demographic information

		n	Male	Female			
A.	I am a	235	49%	51%			
			Yes	No			
B.	I have worked for the company before it became Hotel X	235	100%	0%			
			18-25	26-35	36-45	46-55	56-older
C.	My age is	235	19%	37%	29%	15%	0%
			General staff	Super-visor	Junior manager	manager	executive
D.	I work as a	235	58%	17%	3%	20%	3%

According to table 5.1, from all respondents N = 235 of the study, 51% were females and 49% were males, which shows an even distribution between male and female respondents.

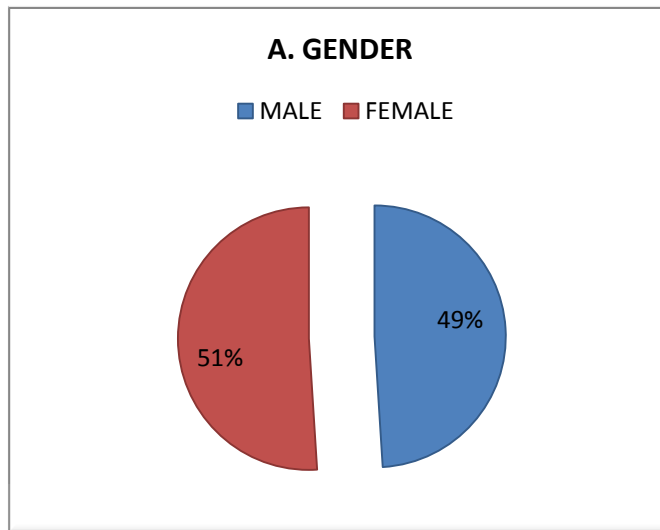


Figure 5.1: Gender

Source – Own Chart

From the recorded surveys, N = 235 worked for the company before the Acquisition of the brand and have now formed part of the new brand.

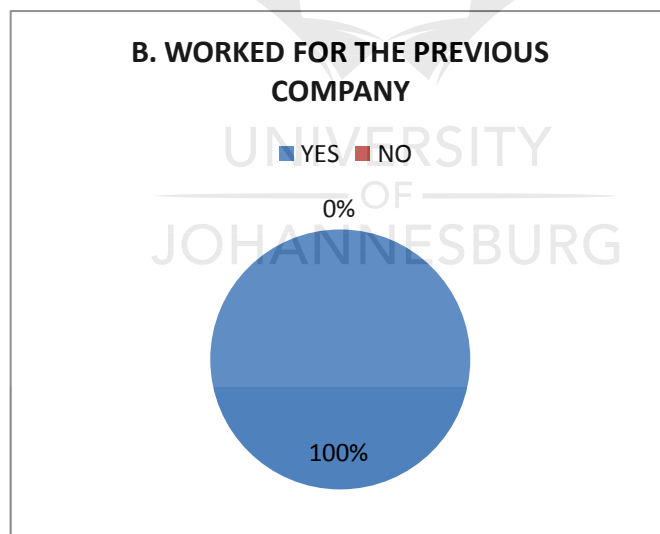


Figure 5.2: Employees that previously worked for the company

Source – Own Chart

Table 5.1 continues to show age grouping with 56% of respondents were under the age of 35 years of age, 44% of respondents were older than 35. Surprisingly, no respondent was over the age of 55 years old.



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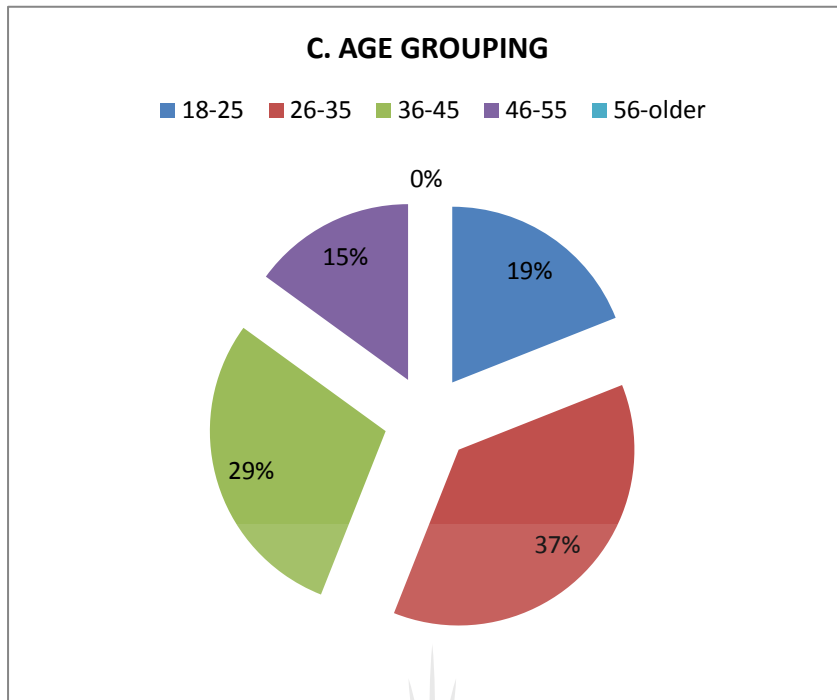


Figure 5.3: Age Grouping

Source – Own Chart

The summary in Table 5.1 shows the position of staff within the company, revealing general staff and including all tiers of management. This study captured a majority 58% of general staff. This is significant as these are the employees that are the front line of the company. Interestingly enough a further 20% of the respondents were decision making managers, which adds a combination of data.

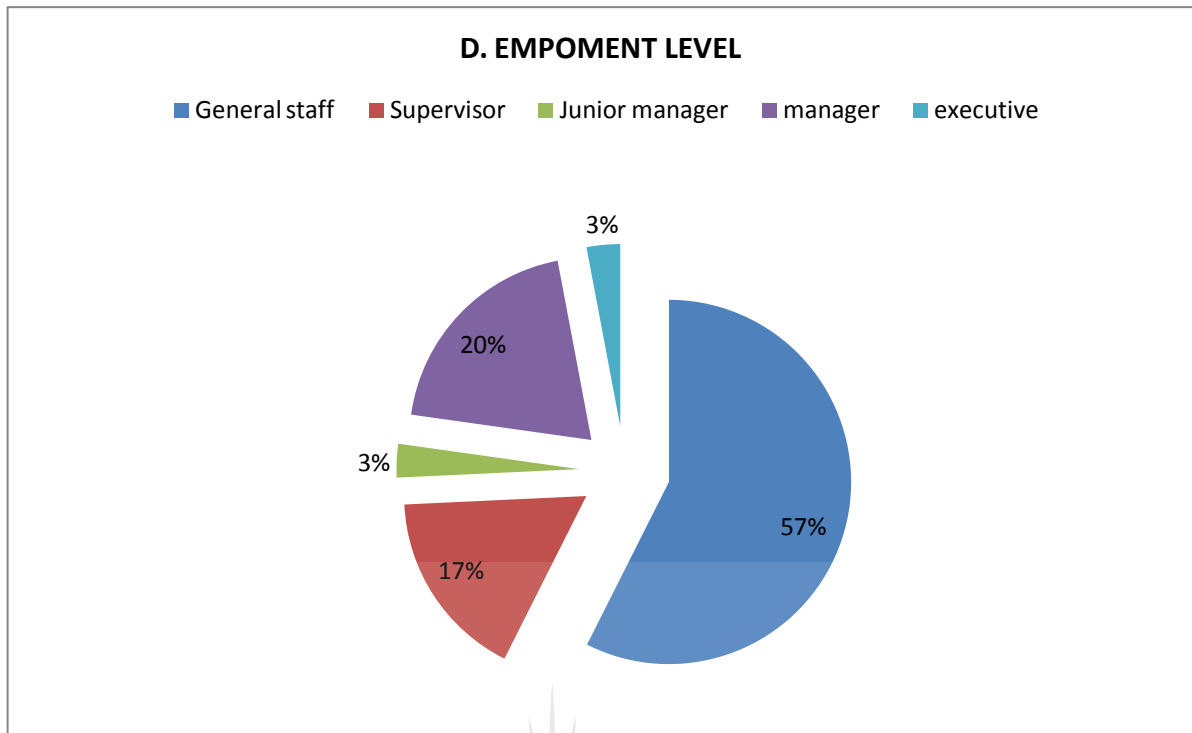


Figure 5.4: Employment Level

Source – Own Chart

5.3.2 Subsections of the questionnaire

Section B, elicited responses on organisational support. Section C, measures brand satisfaction. Section D, measures brand trust. Finally, section E will elicit responses on organisational citizenship. Table 5.2 outlines the questions that were asked and how the respondents N = 235 responded.

Table 5.2: Questionnaire Averages

Source – Own compilation

BS – Brand Satisfaction, BT – Brand Trust, OS – Organisational Support, OC – Organisational Citizenship

		Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
BS1	I am very satisfied with the service provided by the new brand	9%	8%	16%	49%	18%
BS2	I am very satisfied with the new brand	9%	10%	19%	43%	19%
BS3	I am very happy with the new brand	8%	11%	17%	46%	18%
BS4	The new brand does a good job of satisfying my needs	13%	9%	21%	44%	13%
BS5	The service provided by the new brand is very satisfactory	9%	12%	21%	43%	15%
BS6	I believe that being associated with the new brand is usually a very satisfying experience	7%	9%	24%	43%	16%
BS7	I made the right decision when I decided to remain with the new brand	6%	9%	24%	43%	19%
BS8	I am addicted to the new brand in some way	11%	17%	30%	25%	17%
BT1	I trust the new brand	11%	10%	23%	39%	17%
BT2	I rely on the new brand	8%	11%	30%	39%	12%
BT3	This is an honest brand	9%	6%	24%	44%	17%
BT4	The new brand offers security	8%	12%	31%	26%	23%
OS1	My organization really cares about my well-being	10%	14%	23%	37%	15%
OS2	My organization strongly considers my goals and values	13%	13%	23%	38%	13%
OS3	My organization shows little concern for me. (R)	15%	21%	28%	26%	11%
OS4	My organization cares about my opinions	12%	13%	28%	35%	11%
OS5	My organization is willing to help me if I need a special favour	8%	14%	18%	46%	13%
OS6	Help is available from my organization when I have a problem	11%	8%	22%	44%	15%
OS7	My organization would forgive an honest mistake on my part	10%	12%	23%	37%	17%
OS8	If given the opportunity, my organization would take advantage of me. (R).	11%	14%	34%	24%	17%
OC1	I feel personally attached to my organization	10%	17%	23%	36%	15%
OC2	I feel a strong sense of belonging to my organization	8%	18%	20%	34%	19%
OC3	I am proud to tell others I work at my organization	6%	8%	17%	45%	23%
OC4	Working at my organization has a great deal of personal meaning to me	10%	11%	24%	37%	18%
OC5	I would be happy to work at my organization until I retire	17%	15%	22%	28%	18%
OC6	I really feel that problems faced by my organization are also my problems	4%	14%	18%	44%	19%

5.3.3 Means and Standard Deviations

In this study, four constructs measured by validated tools were assessed. This section reported on the means and standard deviations of these four constructs: Brand satisfaction, Brand Trust, Organisational Support and Organisational Citizenship.

- **Brand Satisfaction**

The variable Brand Satisfaction has eight statements, represented in the table below.

Table 5.3: Descriptive Statistics: Brand Satisfaction N = 235

Source – Own research

	Mean	Std. Deviation	N
BS1	3.59	1.153	235
BS2	3.51	1.182	235
BS3	3.54	1.152	235
BS4	3.34	1.207	235
BS5	3.41	1.164	235
BS6	3.52	1.087	235
BS7	3.60	1.071	235
BS8	3.22	1.224	235

According to Table 5.3 the mean varied between $M = 3.22$ and $M = 3.60$ with an average mean of $M = 3.47$. BS7 'I made the right decision when I decided to remain with the new brand' scored the highest whereas BS8, 'I am addicted to the new brand in some way' received the lowest score. The standard deviation ranged between 1.071 and 1.224 with an average standard deviation of 1.155.

- **Brand Trust**

The variable Brand Trust has four observed variables, represented in the table below.

Table 5.4: Descriptive Statistics: Brand Trust N = 235

Source – Own research

	Mean	Std. Deviation	N
BT1	3.41	1.204	235
BT2	3.37	1.087	235
BT3	3.55	1.113	235
BT4	3.43	1.194	235

According to Table 5.4 the mean varied between $M = 3.37$ and $M = 3.55$ with an average mean of $M = 3.44$. BT3 'The new brand offers security' scored the highest whereas BT2, 'I rely on the new brand' received the lowest score. The standard deviation ranged between 1.087 and 1.204 with an average standard deviation of 1.150.

- **Organisational Support**

The variable organisational support has eight observed variables, represented in the table below.

Table 5.5: Descriptive Statistics: Organisational support N = 235

Source – Own research

	Mean	Std. Deviation	N
OS1	3.33	1.198	235
OS2	3.24	1.224	235

	Mean	Std. Deviation	N
OS3	2.97	1.228	235
OS4	3.21	1.182	235
OS5	3.43	1.131	235
OS6	3.45	1.162	235
OS7	3.38	1.197	235
OS8	3.23	1.204	235

According to Table 5.5 the mean varied between $M = 2.97$ and $M = 3.45$ with an average mean of $M = 3.28$. OS6 'Help is available from my organization when I have a problem' scored the highest whereas OS3, 'My organization shows little concern for me. (R)' received the lowest score. The standard deviation ranged between 1.131 and 1.228 with an average standard deviation of 1.191.

- **Organisational Citizenship**

The predictor organisational citizenship has six observed variables and is represented in the table below.

Table 5.6: Descriptive Statistics: Organisational Citizenship N = 235

Source – Own research

	Mean	Std. Deviation	N
OC1	3.29	1.205	235
OC2	3.38	1.215	235
OC3	3.71	1.106	235
OC4	3.43	1.187	235
OC5	3.15	1.341	235
OC6	3.60	1.079	235

According to Table 5.6 the mean varied between $M = 3.15$ and $M = 3.71$ with an average mean of $M = 3.43$. OC3 'I am proud to tell others I work at my organization' scored the highest whereas OC5, 'I would be happy to work at my organization until I retire' received the lowest score. The standard deviation ranged between 1.079 and 1.341 with an average standard deviation of 1.189.

5.4 RELIABILITY AND VALIDITY

5.4.1 Reliability

Reliability can be described as the degree in which an assessment mechanism constructs stable and consistent results (Tavakol & Dennick, 2011:53). SPSS version 24 was used in this study.

Reliability was determined by using the Cronbach Alpha co-efficient, which provided a measure of the internal consistency of the scale and has been expressed as a number between 0 and 1. It is recommended that the co-efficient Alpha value be more than 0.70 to ensure internal consistency and overall reliability (Tavakol & Dennick, 2011:53).

- **Brand Satisfaction**

The variable brand satisfaction has eight observed variables, represented in the table below. Cronbach Alpha is 0.964. Typically, Cronbach Alpha should be below 0.95 as a score above is less desirable. However, Fraering and Minor (2006:300) state that if the AVE is acceptable it will give acceptability to this value.

Table 5.7: Reliability Statistics Brand Satisfaction

Source – Own research

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.964	0.965	8

- **Brand Trust**

The variable brand satisfaction has four observed variables, represented in the table below. Cronbach Alpha is 0.934. This falls within the parameters and is now considered reliable.

Table 5.8: Reliability Statistics Brand Trust

Source – Own research

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardised Items	N of Items
0.934	0.935	4

- **Organisational Support**

The predictor organisational support has eight observed variables, represented in the table below. Cronbach Alpha is 0.913. This falls within the parameters and is now considered reliable.

Table 5.9: Reliability Statistics Organisational Support

Source – Own research

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardised Items	N of Items
0.913	0.914	8

- **Organisational Citizenship**

The variable organisational citizenship has six observed variables and is represented in the table below. Cronbach Alpha is 0.918. This falls within the parameters and is now considered reliable.

Table 5.10: Reliability Statistics Organisational Citizenship

Source – Own research

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardised Items	N of Items
0.918	0.920	6

Reliability Summary;

- Brand Satisfaction (0.964) – reliable / borderline
- Brand Trust (0.934) – reliable
- Organisational Support (0.913) – reliable
- Organisational Citizenship (0.918) – reliable

5.4.2 Validity

In this research, convergent and discriminant validity were used to determine the validity of the constructs. To demonstrate adequate and acceptable validity, the use of standardised factor loadings and average variance extracted (AVE) was used. According to Venter, Chinomona and Chuchu, (2016:92), the standardised factor loadings must be 0.40 or higher and, according to Tavakol and Dennick, (2011:55), the AVE values must be 0.50 or higher if need to be obtained. Factor loadings can be confirmed to be above the recommended threshold of 0.40 with the exception of OS8 which is slightly under at 0.37. However, this is not a problem as the convergent validity of each construct had AVE values of above 0.50 and can be seen in Table 5.12.

Discriminant validity is the degree in that two conceptually similar concepts are distinct from each other (Yong & Pearce, 2013:81). This figure should be below 0.85 (Fraering & Minor, 2006:302). Table 5.11 represents the correlation coefficients between the constructs are all in the range of 0.85, indicating that there is discriminant validity. Brand trust and brand satisfaction have a lower level of discriminant validity (0.908) above the threshold, although, according to Tavakol and Dennick, (2011:56), an acceptable threshold can be values > 0.95. The validity can be reinforced based on the outcome of AVE values and as represented by Table 5.12, AVE values are all above the 0.50 threshold.

Table 5.11: Discriminant Validity Correlations

Source – Own compilation

Correlations

	Brand satisfaction	Brand trust	Organisational support	Organisational citizenship
Brand satisfaction	1			
Brand trust	.908**	1		
Organisational support	.849**	.862**	1	
Organisational citizenship	.854**	.849**	.845**	1

** . Correlation is significant at the 0.01 level (2-tailed).

Table 5.12: Diagrammatic Representation of Average Variance Extracted Calculations

Source – Own compilation

AVE FOR CONSTRUCTS								
			Estimate	$\lambda\gamma_i^2$	$\sum\lambda\gamma_i^2$	ξ_i	$\sum\xi_i$	$\frac{\sum\lambda\gamma_i^2}{(\sum\lambda\gamma_i^2 + \sum\xi_i)}$
BT	<---	BT1	0.907	0.823	3.142	0.177	0.858	0.785
	<---	BT2	0.895	0.801		0.199		
	<---	BT3	0.888	0.789		0.211		
	<---	BT4	0.854	0.729		0.271		

AVE FOR CONSTRUCTS								
			Estimate	$\lambda\gamma_i^2$	$\Sigma\lambda\gamma_i^2$	ϵ_i	$\Sigma\epsilon_i$	$\Sigma\lambda\gamma_i^2 / (\Sigma\lambda\gamma_i^2 + \Sigma\epsilon_i)$
BS	<---	BS1	0.921	0.848	6.216	0.152	1.784	0.777
	<---	BS2	0.951	0.904		0.096		
	<---	BS3	0.911	0.830		0.170		
	<---	BS4	0.892	0.796		0.204		
	<---	BS5	0.878	0.771		0.229		
	<---	BS6	0.843	0.711		0.289		
	<---	BS7	0.878	0.771		0.229		
	<---	BS8	0.765	0.585		0.415		
OS	<---	OS8	0.371	0.138	4.826	0.862	3.174	0.603
	<---	OS7	0.698	0.487		0.513		
	<---	OS6	0.867	0.752		0.248		
	<---	OS5	0.862	0.743		0.257		
	<---	OS4	0.885	0.783		0.217		
	<---	OS3	0.552	0.305		0.695		
	<---	OS2	0.903	0.815		0.185		
	<---	OS1	0.896	0.803		0.197		
OC	<---	OC6	0.739	0.546	3.999	0.454	2.001	0.666
	<---	OC5	0.728	0.530		0.470		
	<---	OC4	0.785	0.616		0.384		
	<---	OC3	0.877	0.769		0.231		
	<---	OC2	0.895	0.801		0.199		
	<---	OC1	0.858	0.736		0.264		

5.5 STRUCTURAL EQUATION MODELING (SEM) ANALYSIS AND CONFIRMATORY FACTOR ANALYSIS (CFA)

CFA was used to confirm if the constructs were described in accordance with the applicable theory (Yong, & Pearce, 2013:79). The constructs were captured into an analysis of moment structures (AMOS) Graphics version 24 software to implement the CFA.

In chapter three, the theoretical conceptualised model was developed, highlighting the indirect causal relationships under investigation. This model was essentially made of two distinct constructs, organisational support as a predictor to the outcome

variable organisational citizenship, and the mediating role in which brand satisfaction and brand trust as variables have on organisational citizenship.

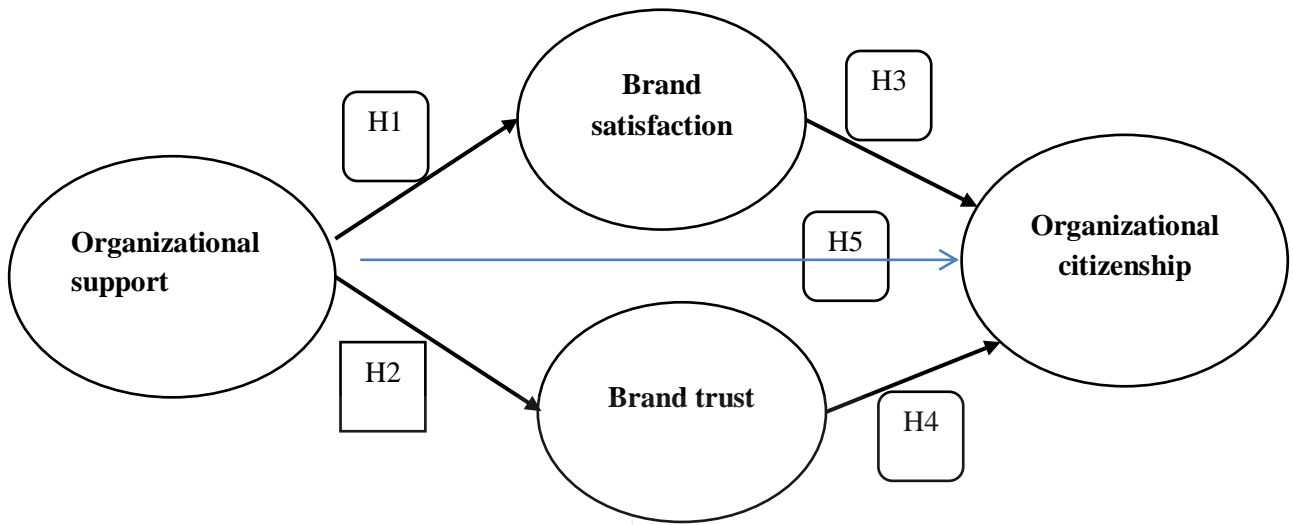


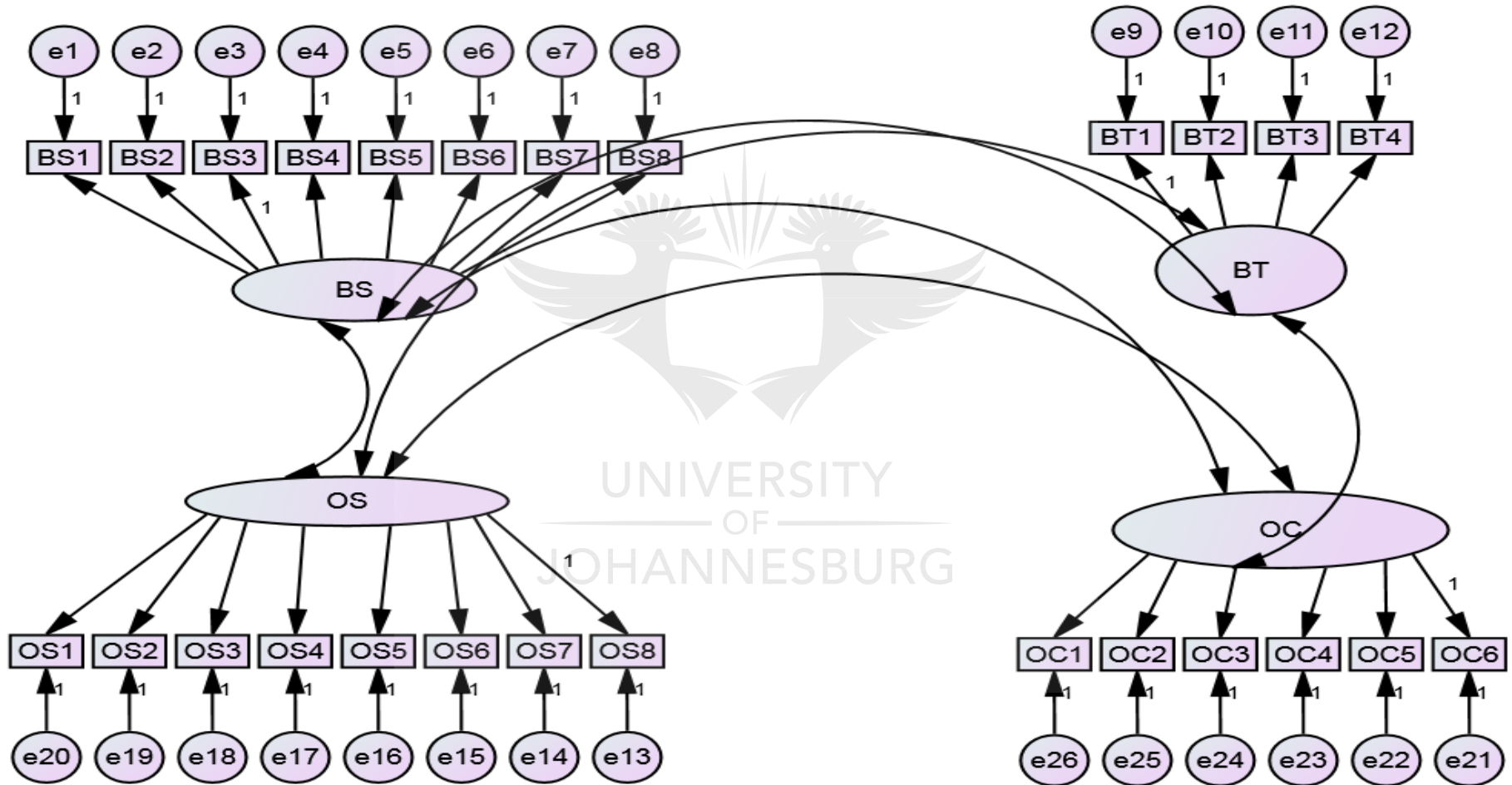
Figure 5.5: Conceptual Model

The next section discusses the CFA.

The following figure represents the hypothesised relationships and reflects all the latent variables and observed variables.



Figure 5.6: Conceptual model subjected to CFA



5.5.1 Results of SEM Statistical Analysis and CFA

SEM was used in this study to take an approach of confirmatory rather than that of an exploratory approach, as the observed variables were adapted by proven models. The Constructs; Brand Trust, Brand Satisfaction, Organisational Support, Organisational Citizenship operationalised and observed variables were assigned to them.

CFA was applied in this study to obtain information regarding the extent that the observed variables are linked to their constructs.

Model fit indices determine how well a model fits the sample data that then demonstrates which proposed model has the superior fit and reflects underlying theory.

This study focused on the following indices and the suggested preferable value of each, according to Voorhees, Brady, Calantone and Ramirez (2016); and Hair, Celsi, Oritinau and Bush (2013):

- Chi-Square (CMIN) < 3
- Goodness-of-fit statistic (GFI) > 0.9
- Root mean square error of approximation (RMSEA) < 0.08
- Bentler-Bonett Index or Normed Fit Index (NFI) > 0.90
- Tucker Lewis Index (TLI) > 0.90
- Comparative Fit Index (CFI) > 0.90
- p of Close Fit (PCLOSE)

The model was subjected to CFA to test each construct and their observed variables. The following tables below will present the absolute fit.

Improvement 1

Table 5.13: Model Fit Indices first attempt

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	67	1084.301	284	0	3.818

Model	RMR	GFI	AGFI	PGFI
Default model	0.063	0.75	0.692	0.607

Model	NFI	RFI	IFI	TLI	CFI
	Delta1	rho1	Delta2	rho2	
Default model	0.859	0.839	0.892	0.876	0.891

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	0.11	0.103	0.117	0

The first attempt at the model found that there were certain errors with a few of the indices cut-off value. Chi-Square (CMIN/DF) is high at 3.818, which should be 3. Goodness-of-fit statistic (GFI) is low at 0.75, GFI needs to be higher than 0.90. The Normed Fit Index (NFI) is also low at 0.859, which value should be greater than 0.90. The Tucker Lewis Index (TLI) showed a low score at 0.876, which should be at 0.90. The Comparative Fit Index (CFI) is also low at 0.891, which should also be at 0.90. Root mean square error of approximation (RMSEA) is high at 0.11, which should be below 0.08.

Due to these results, the researcher found that it was necessary to attempt to improve the model fit indices to more acceptable levels.

Improvement 2

Table 5.14: Model Fit Indices second improvement

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	73	945.648	278	0	3.402

Model	RMR	GFI	AGFI	PGFI
Default model	0.063	0.785	0.728	0.622

Model	NFI	RFI	IFI	TLI	CFI
	Delta1	rho1	Delta2	rho2	
Default model	0.877	0.856	0.91	0.894	0.909

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	0.101	0.094	0.108	0

The second attempt at the model showed an improvement. However, certain errors with a few of the indices cut-off values were still problematic. Chi-Square (CMIN/DF) is high at 3.402, which should be 3. Goodness-of-fit statistic (GFI) is low at 0.785, GFI needs to be higher than 0.90. The Normed Fit Index (NFI) is also low at 0.877, this value should be greater than 0.90. The Tucker Lewis Index (TLI) showed a low score at 0.894, this should be at 0.90. The Comparative Fit Index (CFI) is also low at 0.909, which should also be at 0.90. Root mean square error of approximation (RMSEA) is high at 0.101, which should be below 0.08.

Due to these results, even though they have improved, the researcher found that it was necessary to attempt to improve the model fit indices to more acceptable levels.

Improvement 3

Table 5.15: Model Fit Indices third improvement

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	74	923.941	277	0	3.336

Model	RMR	GFI	AGFI	PGFI
Default model	0.063	0.789	0.732	0.623

Model	NFI	RFI	IFI	TLI	CFI
	Delta1	rho1	Delta2	rho2	
Default model	0.88	0.859	0.913	0.897	0.912

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	0.1	0.093	0.107	0

The third attempt at the model showed a greater improvement and satisfactory results.

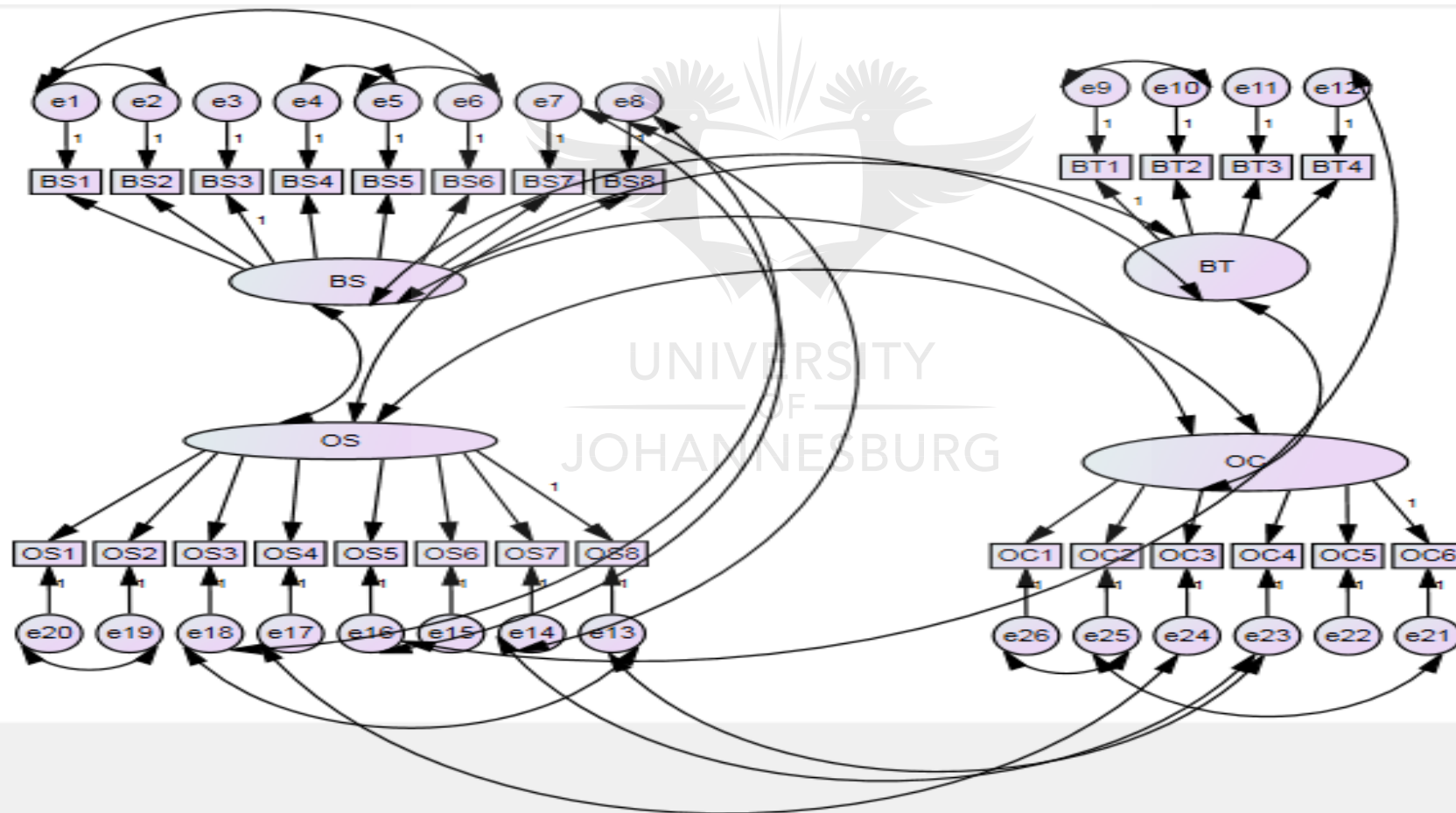
Chi-Square (CMIN/DF) is slightly high at 3.336, this should be 3, although according to Hair, Black, Babin and Anderson (2014): “although there is no consensus regarding an acceptable ratio for this statistic, recommendations range from as high as 5.0 to as low as 2.0”. Chi – Square is acceptable. **Goodness-of-fit statistic (GFI)** is slightly low at 0.785, GFI needs to be higher than 0.90, but Hair, Black, Babin and Anderson (2014), suggest that a goodness of fit above 0.1 variation is an acceptable value. **The Normed Fit Index (NFI)** is also slightly under at 0.88, which value should be greater than 0.90. Zelkowitz and Cole, (2016:127) recommended NFI values greater than 0.90 although also suggest that a slight variance is acceptable. **The Tucker Lewis Index (TLI)** showed a slightly lower score at 0.897, this should be at 0.90. However, if the fit statistic is less than the value expected, with a probability of occurrence >0.5, then the model is accepted as ‘fitting’ (Voorhees, Brady, Calantone & Ramirez, 2016). **The Comparative Fit Index (CFI)** is also acceptable at 0.912, which should also be at 0.90. **Root mean square error of approximation (RMSEA)** is high at 0.10, this should be below 0.08. According to

Voorhees, Brady, Calantone and Ramirez (2016), this is an acceptable margin supported by PCLOSE being 0.



The following figure represents the tested relationships and reflects all the latent variables and observed variables as the proven model.

Figure 5.7: Tested and Improved Model



5.6 The Structural Model and Hypotheses Testing

The next step in the process was to test the hypotheses, as in the previous section, the model fit indices, reliability and validity of the measuring scales were all acceptable. This section tested the corresponding path coefficients of the hypotheses and the structural model illustrate the relationships by path diagrams. Path Analysis describes the relationships between measured variables and hypothetical paradigms (Zelkowitz & Cole, 2016:128). This study made use of (AMOS) Graphics version 24 software to determine the theoretical substructures of the model's hypotheses.



Figure 5.8: Final Model Structural model with paths coefficients

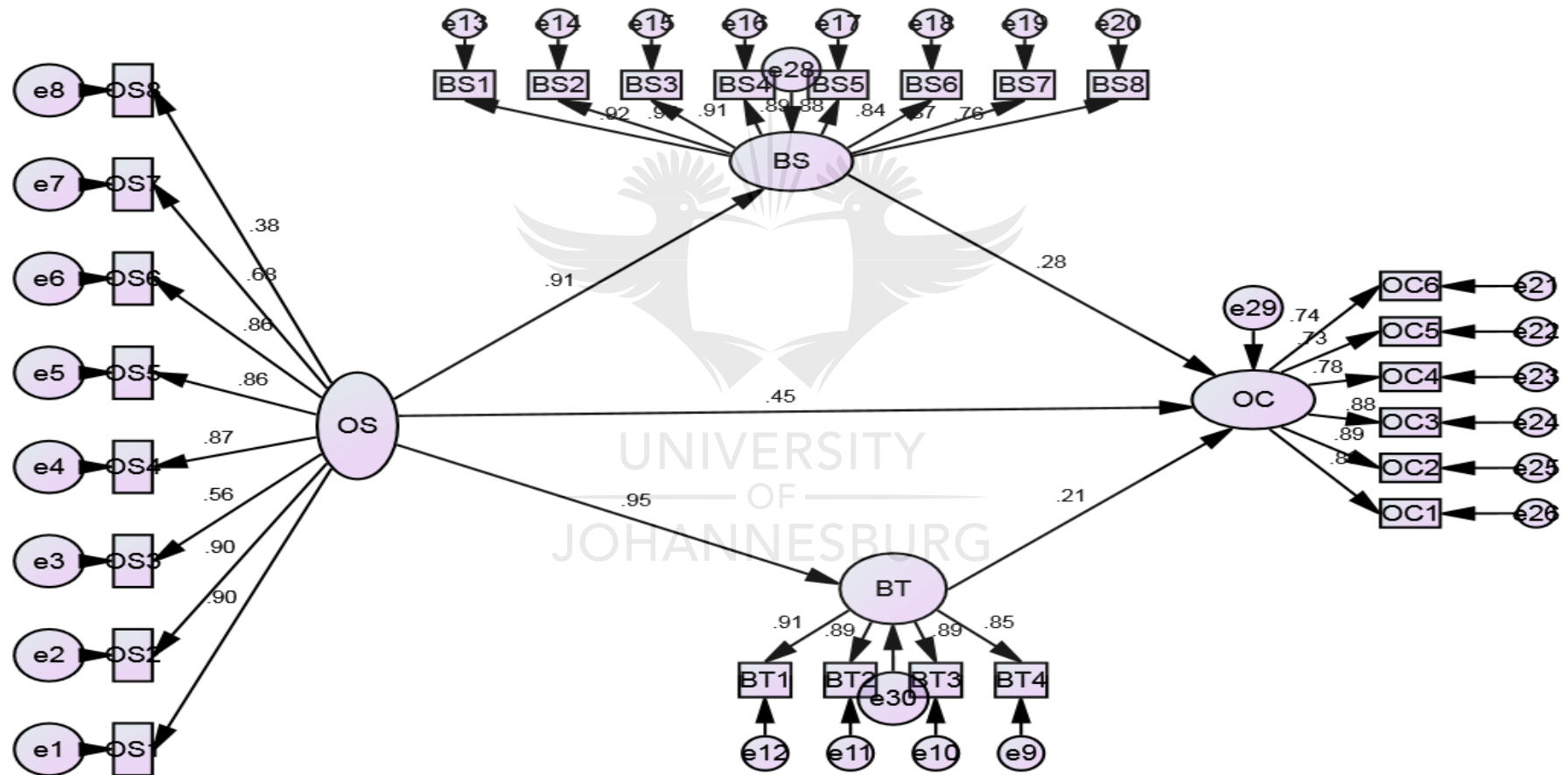


Table 5.16: Path coefficients and p-values

Structural paths			Path coefficients	p - Values
BS	<---	OS	0.915	***
BT	<---	OS	0.947	***
OC	<---	OS	0.454	0.016
OC	<---	BS	0.276	0.005
OC	<---	BT	0.214	0.142

Table 5.17: Summary of hypotheses testing results

Structural paths			Relationship	Results	Significance level
BS	<---	OS	Positive	Accept	0.01
BT	<---	OS	Positive	Accept	0.01
OC	<---	OS	Positive	Reject	p-value is greater than 0.05
OC	<---	BS	Positive	Accept	0.05
OC	<---	BT	Positive	Reject	p-value is greater than 0.05

5.7 HYPOTHESES STATEMENTS TESTED

H₁: There is a positive and significant relationship between organisational support and brand satisfaction

The results presented in Table 5.17 validate that there is a positive and statistically significant relationship between organisational support and brand satisfaction ($p < 0.05$), therefore, H1 is accepted. The result is in consensus with what the literature and previous studies have stated.

H₂: There is a positive and significant relationship between organisational support and brand trust

The path between organisational support and brand trust replicated in Table 5.17 specifies that the relationship is positive and statistically significant ($p < 0.01$). Hypotheses H₂ is therefore accepted. The result is in consensus with what the literature and previous studies have stated.

H₃: There is a positive and significant relationship between brand satisfaction and organisational citizenship

The results of the SEM analyses illustrate that the relationship between brand satisfaction and organisational citizenship is positive and statistically significant ($\beta = 0.08, p < 0.05$). Therefore, H₃ is acceptable. The result is in consensus with what the literature and previous studies have stated.

H₄: There is a positive and significant relationship between brand trust and organisational citizenship

The SEM results reflect that although there is a positive relationship between brand trust and organisational citizenship as proposed in literature, it is not statistically significant ($p > 0.05$). H₄ is rejected. This is a very interesting outcome as the literature pointed in the direction that was acceptable. Although the result does show that there is a positive relationship, it is not significant enough and as a cause is rejected.

H₅: There is a direct relationship between organisational support and organisational citizenship

The SEM results in Table 5.17 reflect positive as proposed although the relationship between organisational support and organisational citizenship is not statistically significant ($p > 0.05$). Therefore, H₅ is rejected. Again, this is against what has been uncovered in literature and is interesting; although the finding is positive, the impact is not a direct causation and is rejected.

5.7 CONCLUSION

This chapter focuses on the empirical results obtained from primary data collection submitted to descriptive statistics, CFA and SEM. Specifically, this chapter demonstrates the results of the analysis of SEM that tested the hypotheses proposed for the study after descriptive statistics of the constructs, mean, reliability and validity were proven to all be acceptable.

Out of the five hypotheses tested, three were accepted and two were rejected and not supported. The next chapter discusses these findings to make final conclusions and recommendations to meet the theoretical and empirical objectives of this research.



CHAPTER 6

CONCLUSION AND RECOMMENDATIONS

6.1 INTRODUCTION

The purpose of this study is to examine the power of organisational support, brand satisfaction and brand trust on organisational citizenship for employees in the post-acquisition integration of a global hotel brand. This research was conducted as no research on this matter in the context had been done. It was conducted through theoretical and empirical objectives.

The development of a conceptual model framework paved the way for the postulation of five hypotheses. To put the proposed research model and hypotheses to the test, data was collected from the KwaZulu-Natal province in South Africa, in particular, a hotel group was used that had been newly acquired, with hotels throughout sub-Saharan Africa.

6.2 RESEARCH CONCLUSION

The empirical results supported three out of five hypotheses and posited the research hypotheses in a significant manner. Within these findings, it is important to note is that organisational satisfaction has a stronger impact on organisational citizenship (0,276) than brand trust (0.214). Organisational support (0.454) would seem to have a stronger impact although interestingly, neither brand trust nor organisation support have any statistical significance to organisational citizenship as both constructs' p-values are greater than 0.05.

Notably, organisational support has a robust relationship between both brand trust (0.915) and brand satisfaction (0.947) but does not have a significant relationship with organisational citizenship (0.454).

Consequently, these findings indicate that organisational support can have a strong influence on brand trust and brand satisfaction but only indicates that organisational citizenship is influenced by organisational support via brand satisfaction and not directly or via brand trust. These findings could be due to the fact that perhaps employees are more likely to show commitment and be a citizen of the brand when they are satisfied with the brand. This sounds logical.

6.3 SIGNIFICANCE OF THE STUDY

6.3.1 Future academic contribution

The research contributes to the literature of strategic management as well as that of brand management and that of hospitality management in a variety of ways. It contributes to strategic management literature by empirically testing the extent to which relationships create organisational citizenship for the first time in the African hospitality context. It contributes to the body of knowledge relating to strategic management which construct, empirically tested, can be used as a functional model that strategies a path to citizenship, and hopefully to a successful, post-acquisition integration.

Strategic management allows a business to be more proactive than reactive in gearing its own future; it allows a business to initiate and influence activities rather than merely responding (David, 2011).

Long term strategic issues which have implications on business in the hospitality industry have been disregarded. This study answers the call for research to implement integration strategies of hospitality global brands, and provides an intervention into the study of strategic management which relates to the ever-present reality of post-acquisition integration strategies (Hana & Michal, 2018:98).

6.3.2 Practitioner contribution

This study is important for an industry professional as it highlights the influence of organisational support and the mediating role brand trust and brand satisfaction has on organisational citizenship in South Africa. For instance, there is a positive and significant robust relationship between organisational citizenship and brand satisfaction, and also between brand satisfaction and organisational support. Professionals would want to pay specific attention to how these constructs influence each other in an African context, especially in cross-border activities.

The study is valuable as the South African tourism and hospitality industry has been increasing each year. It presents a great opportunity for organisations who would like to prosper in this industry.

The research presents an opportunity that is completely new and different to the day to day business strategies. This is largely due to the short time frame and the mass influx of foreign and local visitors. Businesses and organisations are constantly on the lookout for new, exciting and innovative business strategies to give them an edge above the rest.

The findings of the research can help businesses in one of the largest industries in the global market. The research will assist leaders in the hospitality industry to find a new and innovative strategy that can benefit businesses to prepare for potential future earnings (Hana & Michal, 2018:98).

6.4 LIMITATIONS AND FUTURE RESEARCH

Limitations of research are inevitable, and this research is no exception. Certain limitations unfortunately were unavoidable in this study due to the time frame and scope established to conduct and conclude the research. The following limitations should be noted as well as suggestions for future research:

- The study is narrowed to a single industry (hospitality industry), therefore its results cannot be used as base of reference for other industries. To overcome this challenge, the topic can be studied further in future, also incorporating other industries as well or expand the population size of the research.
- The results generated were based from one region or city (Durban). In order to arrive at wider, more conclusive results, further studies need to be conducted in collaboration with other researchers located in other regions outside KZN or even countries outside South Africa.
- The research is limited to approximately seven businesses that were approached (including four and five star-graded hotels). In future research could overcome this challenge by allocating a larger time frame to allow them to approach multiple sized organisations within the industry or outside it for broader results.
- The data collection period of the study was limited to one month (October). This posed a threat to the reliability of the results as the information could be

deemed as insufficient. To overcome this in future, researchers should allocate a larger time frame.

- Although related studies have been conducted in the past, not enough information was available to support neither the South African context nor the hospitality industry.
- Limited amount of studies associated with the effects of organisational support on organisational citizenship in the hospitality industry made it difficult to pose arguments.

6.5 RECOMMENDATIONS

Strategic management allows a business to be more proactive than reactive in gearing its own future; it allows a business to initiate and influence activities rather than merely responding (David, 2011). Long term strategic issues which have implications on business in the hospitality industry have been disregarded. Positioned by the call for research on implementing integration strategies of hospitality global brands, this study provides an intervention into the study of strategic management relating to the ever-present reality of post-acquisition integration strategies.

When employees are committed to the brand that they work for, they are likely to take upon themselves the organisations characteristics as their own and through satisfaction that an employee feels from the management of the organisation forms a global perception relating to the degree in which the organisation values their involvement and cares about their well-being.

Employees who are emotionally committed to the organisation show higher performance levels, reduced absenteeism and have a reduced chance of leaving the business. This embodiment of the organisation is abetted by the legal, moral, and financial responsibility of the organisation by policies, norms and cultural continuity as employees base their view of favourable or unfavourable treatment as an indication that the organisation favours or disfavors them. Managing satisfaction is an integral part in using specific techniques to increase perceived value of the brand, differentiating activities to build loyal employees through positive associations by using the psychological linkage of the brand image and the employees to stimulate consumers purchasing and repurchasing.

Therefore, in order to secure organisational citizenship, organisations need to invest in strategies that forge brand satisfaction. The current study attempts to investigate the power organisational support as a predictor of brand trust and brand satisfaction which would lead to organisational citizenship in the most neglected context, that being the African context.

The arrival of colonial regimes exerted massive authority and paramount power in the sphere of management style and philosophical understanding when they penetrated Africa.

When it comes to the notion of African management in business it can become evident that there are multiple challenges facing obtaining a distinct African managerial theory such as: the lack of research facilities, intra cultural differences, inability of managers to document their experiences and the relative newness of management as a discipline in our academic institutions (Hana & Michal, 2018:98)

6.6 CONCLUSION

This chapter focuses on discussing the five-hypotheses tested. Three were accepted and two were rejected and not supported. The findings are discussed in relation to make a final conclusion based on this research's theoretical and empirical objectives. The chapter further discusses the research significance and the value this study adds to the current body of knowledge in the context of the research parameters. Limitations are identified and recommendations for future research made. Lastly this chapter discusses the implications of the study.

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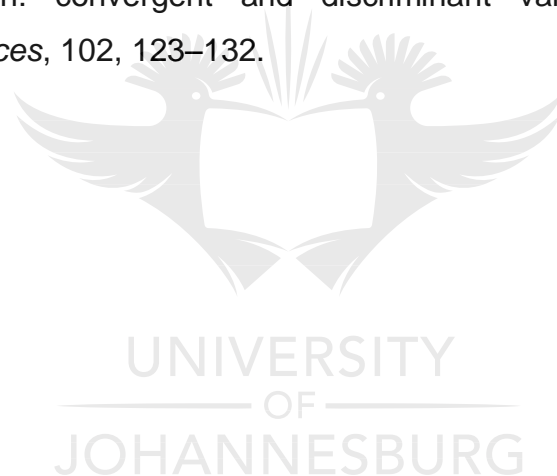
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Annexure 1 – Covering letter

Department of Business Management

10 October 2016

Dear Respondent

COMPLETION OF A QUESTIONNAIRE

I am a student at the University of Johannesburg undertaking an MComm in Strategic Management. My research topic is “*The post-acquisition integration of a global hotel brand: determining the impact of organisational support on the organisational citizenship.*”

This covering letter serves as a kind request for you to complete the attached questionnaire. Your responses will be of great value to this study. Please be advised that you will remain anonymous and your feedback will be kept in utmost confidence. My supervisor is Prof David Pooe and can be contacted at dpooe@uj.ac.za or 011 559 5057.

Thank you in advance for sparing a few minutes of your time to complete the questionnaire.

Yours sincerely,

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Annexure 2 – Questionnaire

Please answer all questions as honest as possible.

And remember, all responses are and will remain anonymous.

a) I am a	Male			Female	
b) I have worked for the company before it became AHA	Yes			No	
c) My age is	18-25	26-35	36-45	46-55	56-older
d) I work as a	General staff	Supervisor	Junior manager	manager	executive
For each of the following questions below, circle the response that best characterises how you feel about the statements;	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
1. I am very satisfied with the service provided by the new brand	1	2	3	4	5
2. I am very satisfied with the new brand	1	2	3	4	5
3. I am very happy with the new brand	1	2	3	4	5
4. The new brand does a good job of satisfying my needs	1	2	3	4	5
5. The service provided by the new brand is very satisfactory	1	2	3	4	5
6. I believe that being associated with the new brand is usually a very satisfying experience	1	2	3	4	5
7. I made the right decision when I decided to remain with the new brand	1	2	3	4	5
8. I am addicted to the new brand in some way	1	2	3	4	5
9. I trust the new brand	1	2	3	4	5
10. I rely on the new brand	1	2	3	4	5
11. This is an honest brand	1	2	3	4	5
12. The new brand offers security	1	2	3	4	5
13. My organization really cares about my well-being	1	2	3	4	5
14. My organization strongly considers my goals and values	1	2	3	4	5
15. My organization shows little concern for me. (R)	1	2	3	4	5
16. My organization cares about my opinions	1	2	3	4	5
17. My organization is willing to help me if I need a special favour	1	2	3	4	5
18. Help is available from my organization when I have a problem	1	2	3	4	5
19. My organization would forgive an honest mistake on my part	1	2	3	4	5
20. If given the opportunity, my organization would take advantage of me. (R).	1	2	3	4	5
21. I feel personally attached to my organization	1	2	3	4	5
22. I feel a strong sense of belonging to my organization	1	2	3	4	5
23. I am proud to tell others I work at my organization	1	2	3	4	5
24. Working at my organization has a great deal of personal meaning to me	1	2	3	4	5
25. I would be happy to work at my organization until I retire	1	2	3	4	5
26. I really feel that problems faced by my organization are also my problems	1	2	3	4	5