



## Speaking of dominance, status differences, and identification: Making sense of a merger

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This study focuses on the perceptions of faculty members involved in a merger between two South African universities that were historically a 'white' and a 'black' institution. Combining a sensemaking approach and insights from social identity theory, the study aimed for a better understanding of the dynamics that underlie the processes of identification in organizational settings. Analysis of the transcripts of interviews and a focus group showed the importance of status differences, dominance, and several foci of identification. Surprisingly, employees from both merging partners claimed to be the dominated group in the merger and faculty members described their post-merger identification in terms of their profession rather than their membership of the organization. These findings draw attention to the dynamic relationship between salient categories of identification.

Organizational members experience mergers as extreme cases of organizational change that profoundly affect their lives. This is obvious when a merger strategy involves massive lay-offs or someone's job becomes redundant. But even without direct individual job insecurity, a 'formal recategorization of two social groups into one new group' (van Knippenberg, van Knippenberg, Monden, & de Lima, 2002) is often experienced as a very stressful event (Jetten, O'Brien, & Trindall, 2002). The source of this stress can be understood from a social identity perspective, as proposed by social identity theory (Hogg & Abrams, 1988; Tajfel & Turner, 1979) and self-categorization theory (Hogg & Terry, 2000; Turner, Hogg, Oakes, Reicher, & Wetherell, 1987). According to this perspective, individuals define themselves as members of social categories and ascribe characteristics that are typical of these categories to the self. Changing characteristics of categories thus inevitably imply a consideration of the consequences of this change for one's own identity. The intergroup perspective shows why the absence of personal job insecurity during a merger does not prevent someone from other types of insecurity: in times of mergers, employees' own self-definitions are at stake.

When mergers are approached as an intergroup challenge (Hogg & Terry, 2000), several identity-related issues arise. Through the merger, a new group identity is

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imposed on members of the merging organizations (Giessner, Viki, Otten, Terry, & Täuber, 2006) and adjustment to the merger depends on the extent to which members identify with the merged group (Amiot, Terry, & Callan, 2007). People have to redefine the meaning they derive from their relation with the social context they work in (Ullrich, Wieseke, & van Dick, 2005; van Dick, Ullrich, & Tissington, 2006). To maintain an identity in a new environment, group members must develop grounds for supporting that new identity while detaching from the old environment (Ethier & Deaux, 1994). The process of support and detachment underlines the importance of organizational identification, which is usually defined as ‘the perception of oneness with or belongingness to an organization, where the individual defines him or herself in terms of the organization(s) in which he or she is a member’ (Mael & Ashforth, 1992, p. 104).

A complicating factor is that a merger brings employees’ previously held identifications with the old environment to the fore. Instead of weakening the old identity, a merger seems to emphasize pre-merger group membership. The salience of the groups and their boundaries fuel an us-versus-them dynamic (Giessner *et al.*, 2006) in which group members develop their self-esteem by trying to distinguish their in-group from different out-groups (Haslam, 2001; Hogg & Terry, 2000). Such dynamics are seen as a major reason for the failure of mergers (Terry, 2001).

A certain sense of continuity seems to be essential to maintain identification after a merger. However, a merger evokes awareness of both continuity and interruption: ‘Given that this new group incorporates one’s former pre-merger group, it is in that sense a continuation of this group. Yet, the merged group is new, because it incorporates another group, the merger partner, and thus implies a change in group membership’ (van Knippenberg *et al.*, 2002, p. 234).

The social identity perspective depicts a merger as a confusing mix of continuation and change, a threat to one’s identity within the continuous ebb and flow of salience of different social categories. In this flux, people try to maintain their sense of self and self-esteem by positively distinguishing emerging and Vanishing in-groups from out-groups that are as fluid as theirs (Haslam, 2001; Hogg & Terry, 2000), and stressing differences in status and dominance of the merging partners accordingly (Ashforth & Mael, 1989; Cartwright & Cooper, 1992; Terry, Carey, & Callan, 2001; van Knippenberg & van Leeuwen, 2001). Consequently, these personally stressful issues are very likely to influence the organization. The tendency towards in-group favouritism complicates the development of a new post-merger identity (Haunschild, Moreland, & Murrel, 1994), and psychological disengagement is likely to decrease the performance of merged institutions (Boen, Vanbeselaere, Hollants, & Feys, 2005).

The present study focuses on the ways employees make sense of status differences, dominance, and their identification when confronted with a merger. It aims to contribute to the understanding of employees’ perceptions of organizational changes in two respects, *viz.* the approach of the study and the context of the case.

Regarding the present study’s *approach*, it is interesting to note that most studies of social identity construction are quantitatively oriented (cf. Edwards, 2005; see Ullrich *et al.*, 2005, for an exception), exploring the variables that may be involved in the construction of identity and the salience of categories. In a recent review, Ashforth, Harrison, and Corley (2008) state that ‘although instructive, these variables capture relatively static predictors and not process, that is, they provide pictures of the surface of an ocean wave, not the undercurrents that formed it’ (p. 341). The premise of our study was that a qualitative approach to the ways identities are formed and enacted might provide insight into some of these undercurrents. This shift to an inductive method

might shed new light on the dynamic, interpretive processes that employees engage in during a merger to make sense of the situation. Moreover, a qualitative approach seems a more suitable way to meet the prevailing understanding of self-concept and self-category as context-dependent cognitive representations (Onorato & Turner, 2004). Following Turner, Oakes, Haslam, and McGarty's (1994, p. 456) observation that '[s]elf-categories do not represent fixed, absolute properties of the perceiver but relative, varying, context-dependent properties', we use the context-sensitive approach of sensemaking (Weick, 1995) in this study. This approach stresses how people attempt to build their identities in the flux of ongoing experiences in social contexts. '[Sensemaking] is the primary site where meanings materialize that inform and constrain identity and action' (Weick, Sutcliffe, & Obstfeld, 2005, p. 409). Identity, then, is seen as a mutable continuity (Gioia, Schultz, & Corley, 2000), a perception rather than a fact. So, in this study, we combine social identity with sensemaking, presuming that individual accounts of employees who make sense of their social identities in a merger context may illuminate and illustrate the general dynamics of identification from a social identity perspective.

Regarding the *context* of the case, previous studies of mergers have provided important insights into processes of organizational identification (e.g., van Knippenberg *et al.*, 2002) and change (e.g., Seo & Hill, 2005) by showing how extreme cases facilitate theory building (Eisenhardt, 1989). While all mergers can be regarded as extreme cases of change, this paper describes an extreme merger setting where the dynamics of organizational identification, status differences, and dominance are psychologically and historically loaded concepts: the merger of a historically black university (HBU) and a historically white university (HWU) in South Africa in the post-apartheid era.

During the apartheid era, many parallel institutions were created in South Africa, supposedly serving comparable goals, but racially segregated. Acknowledging the importance of education, the apartheid government established several segregated universities throughout South Africa (Mapesela & Hay, 2006), often in close proximity to each other. After the victory over the apartheid regime in 1994, the government tried to eliminate the racial inequalities among these institutions by creating a single, coordinated system of higher education (Jansen, 2002). As a consequence, the national government insisted on merging several HBU and HWUs. In view of South Africa's history of apartheid, such a merger is deemed to be a very precarious process. It puts the identification of the members of these institutions at stake, especially in terms of perceived dominance and status differences.

### ***Dominance and status differences***

A certain sense of continuity is vital to maintain identification after a merger (Bartels, Pruyn, de Jong, & Joustra, 2007; Cartwright & Cooper, 1992; van Knippenberg & van Leeuwen, 2001). Whether a group can continue to work as they used to do depends on the influence they have to define the rules for the new situation. Being able to continue one's behaviour in a context of change assumes a certain amount of power to do so. The extent to which a group has the ability to dominate others is conducive for establishing a sense of continuity in the transition from the pre-merger to the post-merger situation (van Knippenberg *et al.*, 2002). Being dominated, on the other hand, fuels perceptions of discontinuity which is associated with lower levels of identification (van Knippenberg *et al.*, 2002).

Focusing on dominance asymmetry as a key feature in a merger context may seem odd, since mergers, in contrast to acquisitions, are supposed to be based on equality of

the merger partners. But in terms of social integration, one has to be aware that the suggestion of an equality principle is a myth rather than reality (Zaheer, Schomaker, & Genc, 2003), no matter the available legal documents and intention statements of the parties. From a psychological perspective, most mergers are to a certain extent takeovers (Cartwright & Cooper, 1992). Even in a case where distributive and procedural justice are sought after through careful resource allocation and decision-making rules, 'perceptual fallacies' (Meyers & Alternborg, 2007, p. 265) are reported where people fail to experience the intended equality and sense different forms of dominance. These perceptions are reasonable as no merging partners are completely the same in every aspect, and they both will wield their power: 'Although the merger partners may pay lip service to the notion of equality, one partner generally dominates the other because it is larger, richer, more viable, or is otherwise more powerful and influential than its partner' (van Knippenberg *et al.*, 2002, p. 235).

Moreover, attempting to merge on the basis of strict equality in every aspect of the merger process is likely to be counterproductive in establishing the new identity for at least two reasons. First, defining each situation using pre-merger categories will reinforce the salience of the original groups (Zaheer *et al.*, 2003). This may trigger group members to cling to familiar categories, thereby impeding efforts to adjust to the new situation. Second, heightening salience of the original groups will probably lead its members to accentuate intergroup status differences (Giessner *et al.*, 2006). These dynamics show that to understand the impact of a merger on members of an organization, one needs to consider the relative status of the two pre-merger organizations (Terry, 2001).

Pre-merger status differences are especially interesting in the case we studied, since the merger between the HBU and HWU was based on government plans to eliminate the racial inequalities among South African universities. Under these circumstances, it was unclear which one was regarded as having the highest status. The superior financial and academic development of HWUs under the apartheid regime would lead one to expect that the former HWU would be perceived as the high-status merger partner. However, following the end of apartheid, legislation was introduced to favour black and coloured South African employees (e.g., the Employment Equity Act), so the HBU might also be viewed as the high-status partner at the time of the merger.

Although the high-status group often dominates during and after a merger, status and dominance are not always the same, and may even occur independently (van Knippenberg *et al.*, 2002). Status differences refer to the comparison between two groups before the merger, in view of the pre-merger context (Giessner *et al.*, 2006). Dominance, on the other hand, stems from power differences within the merged organization. As employees of the dominated organization often have to undergo a major change in their social environment, perceived differences in dominance are assumed to have a larger impact on their organizational identification than status differences (van Knippenberg *et al.*, 2002).

Of course, power differences were a cornerstone of apartheid policies. For a long time, white South Africans were the country's dominant citizens, directing daily practices on all levels of society, including higher education. Dominance was the white South African's default condition. One might therefore expect such dominant behaviour on the part of the HWU during the merger with the HBU.

van Knippenberg and van Leeuwen (2001) emphasize that the dominant organization is most likely to define the characteristics of the post-merger organization. As a consequence, members of the dominated partner in the merger process are expected to identify less with the organization after the merger than before

(van Knippenberg *et al.*, 2002), with the threat to existing group values and structures leading to feelings of discontinuity. Since the high-status group is often able to dominate, low- and high-status organizations frequently compete to optimize their position within the new organization (Terry & Callan, 1998; Terry & O'Brien, 2001). This struggle for power plays an important role at the beginning of a merger (Giessner *et al.*, 2006), with both merger partners seeking continuity and trying to maintain their former group identity (van Knippenberg & van Leeuwen, 2001).

There was no obvious outcome of this struggle for dominance in this particular merger for two reasons. First, the merger was not initiated by either of the universities, but forced by a governmental decision. This involuntary nature of the merger is often typical for mergers in higher education institutes as they are used by external authorities as a tool to restructure the higher educational sector (Gleibs, Mummendey, & Noack, 2008). Second, in the national post-apartheid context of the merger, dominance had become highly ambiguous; the whole point being that none of the parties would automatically be dominant.

Given the apparent significance of social identity issues for understanding how this merger evolves, we conducted this study to address the following research question: how do organization members make sense of identification, status differences, and dominance during a merger of two South African universities?

## Methods

### Context

The actual merger took place 16 months before we conducted our study. One year after its initiation, however, the merger had not resulted in substantial collaboration between the merging partners. Our study was initiated by the Teaching and Learning Centre of the merged university, which aims to contribute to the development of professionalism within the university. The Centre wanted to have the development of the merger evaluated by external researchers. The board of the university agreed on this evaluation and asked for recommendations for strategy improvement. They already had tried several strategies to promote integration. The fact that most members had stayed on their own campus was perceived as a threshold for the merging process. Four months before our study took place, the board had decided that faculty members of departments that had a counterpart in the other pre-merger organization must spend several days a week on the other campus.

A qualitative multi-method approach, including interviews and a focus group, was used to collect data on the perceptions of those involved in the merger, and their thought processes and emotions.

### Interview

#### *Participants*

Participants were selected through purposive sampling (Babbie & Mouton, 2001). Two criteria were used: (1) since the study focused on the perceptions of faculty members, all participants had to be academics, and (2) all participants needed to be working in a department that had a counterpart in the other, pre-merger organization. Both pre-merger universities had some departments that lacked any correspondence with a department of the merging partner to make a sensible new group. We restricted

the selection of participants to departments that had actually merged with a counterpart of the other university. The Teaching and Learning Centre identified 40 faculty members who were affected by the merger and would be available during the study. Of these academics, 31 were willing to participate (17 from the HBU and 14 from the HWU). From the HBU, 6 participants were male and 11 female. From the HWU, 7 participants were male and 7 female.

### *Procedure*

We held a series of semi-structured interviews, suitable for gathering in-depth information to understand the social complexity of the merger. The interviews took about 1 h each, and were audio recorded. To investigate how participants made sense of the merger process and its outcomes, the interview protocol focused on their perceptions about:

- (1) status differences before, during, and after the merger;
- (2) dominance between the merging partners;
- (3) the development of their organizational identification;
- (4) their post-merger organizational behaviour.

The interviewer was introduced by the Teaching and Learning Centre as an external researcher who was interested in studying their experiences during the merger. The participants were invited to share how they made sense of the integration process and their views of the groups involved in the merger. Participants mentioned that they appreciated the fact that the interviewer - being a foreigner - was an outsider. Several participants in the interviews and the focus group explicitly mentioned that they trusted the interviewer more than they would have trusted an insider. It turned out that they exerted themselves to provide precise and elaborate details about the context of the merger. All interviews were transcribed and each participant received a copy of their own transcript for the purpose of 'member checking' (Lincoln & Guba, 1985). Their comments were then included in the transcript. On two occasions, the researcher had a second meeting with a participant to ask for further explanations.

### *Analysis*

An interpretive approach to social identity studies analyses the stories people tell and the way they act based on those stories. As Weick *et al.* (2005, p. 410) noted: 'To focus on sensemaking is to portray organizing as the experience of being thrown into an ongoing, unknowable, unpredictable streaming of experience in search of answers to the question, 'what is the story?' Plausible stories animate and gain their validity from subsequent activity'. So, we conducted a line-by-line analysis to trace main themes that surfaced regularly in the stories participants told in their descriptions (cf. Strauss & Corbin, 1998, pp. 223-236). We structured these responses into the four framing categories of the interview (i.e., status, dominance, identification, and behavioural consequences). At the same time, we constantly compared the phrases and codes with the expected sequence into the storyline that we derived from previous social identity studies: (1) people identify themselves with an organization to a certain extent (i.e., pre-merger organizational identification); (2) other groups are evaluated in terms of status differences between the in-group and the out-group; (3) when different groups

have to merge, people assess the power balance between the groups in terms of dominance; (4) evaluating the meaning that emerges from this process, they identify themselves to a certain extent with the old and new organization (i.e., post-merger organizational identification) and enact this perceived organized reality accordingly.

Next, after establishing these dominant framing categories and the sequences in the storylines, the data were re-analysed to summarize and illustrate each category. We ensured that the selected quotes reflected the general storyline rather than a singular opinion.

### **Focus group**

#### *Participants*

A focus group was held to discuss the outcomes of the interviews, to check our assumptions about the dimensions and dynamics of the storylines (Krueger & Casey, 2008). For the focus group session, the Teaching and Learning Centre suggested 20 faculty members from the post-merger university as potential participants. Of those 20 academics, 11 agreed to participate, 5 from the former HBU, and 6 from the former HWU. From the HBU, 2 of the participants were male and 3 female, whereas from the HWU, 3 of the participants were male and 3 female. The focus group session took about 2.5 h.

#### *Procedure and analysis*

The facilitator introduced the session, explaining its purpose and assuring confidentiality. Permission to tape record the session was requested and obtained. The facilitator presented the main interview results of each of the four interview themes and posed a question to discuss the themes. The participants reflected on the validity of the research, possible explanations for the findings, and the extent to which the outcomes corresponded with their own experiences. All participants received a copy of the transcription of the session with the invitation to comment. The final transcription was analysed by the research team, focusing on evaluating the process, crafting the stories, and contextualizing the findings.

## **Results**

The dynamics of the stories that were told by the respondents are organized around the four themes that were leading in the interviews and the analysis.

### **Pre-merger organizational identification**

The general picture emerged that most people identified with their respective organizations before the merger. As one respondent from HBU explained:

I identified really well with HBU. For me it was an organization with everything very well organized. I developed so much during the six years that I am here. And, of course, my salary tripled when I started working for HBU.

Faculty from HBU talked with pride about their achievements, especially in light of the history of discrimination:

The perception was always that here at HBU we did not get the funding that HWU had. But the lecturers, their dedication, they put in an enormous amount of effort. (. . .) There was

an amazing kind of bond between people across disciplines. People from different disciplines did not say 'I am an architect, and you are a communication scientist . . . so we don't speak to each other'. It was actually 'what can we do to help and assist each other' and that way of forming links across disciplines made HBU overcome many problems.

People were very aware of their history and this partly shaped their identities. Nevertheless, respondents talked about themselves in terms of their identification with the pre-merger organization. Race issues, although present, did not prevail over organizational issues. There were several black faculty members in the HWU and some white faculty members in the HBU. A white member of HBU gave an example about the demolition of a black neighbourhood to make room for a major HWU building:

I would be very ashamed to be associated with the HWU campus, purely because of the fact that it is built on stolen land. People were bulldozed out of their homes. People's homes were there, where that campus is built. (. . .) It is a beautiful sight with a stunning view. But it is steeped in scandal.

### **Pre-merger status differences**

Faculty from the two merger partners had different opinions about the locus of pre-merger status differences.

Faculty from the HWU emphasized that they perceived their own pre-merger organization as having had a higher *academic* status than the HBU. As some of them said, 'Ask any student and they will say they prefer to be at the HWU, rather than the HBU'. On the other hand, faculty from the HWU perceived a shift in *political* status as they perceived post-apartheid legislation to favour historically disadvantaged social groups. As a faculty member of the HWU said:

It seems to be a governmental concern to favour people who are black or coloured over white people, in terms of leadership positions. My impression is that the HBU is privileged in a sense that a historically black institution that has got black leaders is in a stronger position than a white institution with white leaders. When you talk about the merger, when it was possible they have appointed black leaders. So in that sense it is unequal. It is an attempt to redress the past.

HBU faculty members agreed on the HWU as having had higher academic status than their own pre-merger organization. But they also indicated that their own pre-merger organization had higher *pedagogical* status than the HWU. They attributed these pedagogical differences to the apartheid legislation. As a faculty member from the HBU mentioned:

Although the lecturers at the HWU had better qualifications, the lecturers at the HBU worked harder because of the weaker students. They developed better teaching methods to cope with the lack of education. And in many instances, what people in our department were doing, pre-merger, was far superior to what the staff members at the HWU were doing.

An HBU colleague said:

We are very strong in teaching and learning on this side, because we had to . . . because of the profile of our students. They [faculty at the HWU] were weaker than us in that. But they were massively stronger than us in research. We were weaker on research.

In all, status differences were felt quite strongly. Given their shared history, parts of their identities were formed in sharp in-group-out-group contrasts. They were very well aware of the other university's existence and framed their identities accordingly: the HWU being the rich university, superior in both academic and research terms; faculty from the HBU



were motivated to put great effort in developing pedagogical and educational competences as both faculty and students felt disadvantaged. In the post-apartheid period, governmental attempts to equalize the inequalities that existed in South Africa redefined the political landscape. As the merger between these two universities was enforced by the government, the question became: *who will win* this merger?

### **Dominance**

As the identities of both universities were partly shaped through perceived status differences with the merging partner, it was reasonable that respondents talked about the merger as a threat to each group's identity:

The other campus feels threatened by this campus, and this campus certainly feels threatened by the other campus. And there is no question about that. (HBU faculty)

If you would ask that same question on the HBU, than they will perceive us as being the more dominant partner. And we think that they have been. (HWU faculty)

Normally, it is assumed that it is clear that one of the merging partners dominates the other, and both sides agree which is which. But interestingly, in this case the faculty of both merger partners felt dominated by the other merger institution. Faculty of the HWU emphasized that the HWU was now dominated by the former HBU, based on the political status that the HBU brought to the merger. According to them, the political status of the HBU gave it the power to be dominant. As one faculty member of the former HWU explained:

Nowadays, the HBU is in a position where they can actually tend to dominate. So if it comes to give and take it tends to be more taking from the HBU and giving from the HWU. Most of the decisions for the new institution and curricula have clearly favoured the old HBU structure. We call it a hostile take-over. There was a hostile take-over from the HBU.

The reference to 'nowadays' implies the effects of the post-apartheid policy since 1994, as someone in the HWU explained:

The balance of power, pre-1994, was held more in the white universities. Prestige-wise, resource-wise, and so on. And definitely the HWU was then the superior player, the advantaged player. Since the merger, being embraced by the new political scenario, the HBU definitely had more ground to negotiate. I think that it is quite evident. If you look at the negotiations about the curricula, the offering . . . than it is quite evident that eight out of ten times I would say that what the HBU offered was accepted, and what the HWU offered was rejected. And I think that was solidly embedded in that history of disadvantage.

When talking about pre-merger status differences, HWU respondents mentioned both the political power of the HBU and their own academic superiority. However, when they were asked to relate these perceptions of pre-merger status differences to their perception of dominance, they *solely* related the former HBUs political status to their feeling of being dominated. They never mentioned their own academic status as a kind of dominance, even though this was stated many times in interviews with faculty from the HBU. They said to be baffled by the political domination, even though they felt superior academically:

It is wrong, because we are not inferior. Because I feel that my quality of work is much better than theirs. But I don't tell them that obviously. (HWU faculty, talking about himself and his former faculty keeping quiet in a meeting)

In contrast, faculty members from the HBU never mentioned their own pedagogical status in relation to dominant behaviour, nor did they speak about the possible political dominance to actually dominate decision making as the respondents of the HWU mentioned. They solely talked about the former HWU's academic status, convincing them to see themselves being the dominated partner. As a faculty member of the HBU argued:

I think the HWU would like to see it as a take-over. I think they do all they can to make it a take-over. They see themselves as the dominant merger partner. That is why I mentioned, from a race point of view as well, they see themselves as intellectually white, therefore they know better. We have got Masters, but they have got PhDs.

An HBU-colleague from another department expressed the same feeling of being dominated by saying:

The HWU perceived itself to be a better quality institution than the HBU. The people at the HWU have the perception that they have now obtained some employees who can now help them and assist them in doing their academic work.

The puzzling outcome of both parties feeling dominated was reflected upon with the participants of the focus group interview. One of the respondents, a faculty member from the HWU, gave the following explanation:

My perception is that both try to use dominance in different ways. There is definitely a political power that was given to the HBU, because of the whole national politics. So it is understandable that when a repressed group in society suddenly gets political backing, they want to. And where I see the dominance coming in is how they allocated the structures in the institution. But at the same time, the HWU – assuming that their standards were so much better – tried to dominate the academic side of it. So they both did. They both used it, but they used it in different areas.

When faculty members gained new information during contacts with the other university, they re-evaluated the status differences. Most of the examples showed that respondents saw this new information to confirm their basic ideas, reinforcing the differences. On one occasion, a HBU faculty member referred to an example of the contrary:

At our campus the perception was that HWU had all the best facilities, that they had everything. So I always had the notion that we were definitely underprovided. But now we come to the point that we can actually analyse how much physical space that we have: We have far more space than they have! [laughter]. It is a perception, you know.

### **Post-merger organizational identification**

The final question was 'if this is the story, then what are the consequences?' The faculty of both universities felt dominated by the merging partner, and these feelings fed a sense of *discontinuity* with their own pre-merger organizational identity. As a direct consequence, faculty members from both institutions indicated that they had experienced a decrease in organizational identification.

Faculty from the former HWU said they could not identify with the post-merger university, because they felt dominated:

I have got a social identity crisis, yes. Because on this side the perception is that standards are dropped. Because there was a lot of research push on this side . . . and we have been sold out. Because everything is pushed towards the HBU nowadays. (. . .) At this stage, for me personally, there is a sense of 'missing the family'.

Several employees from the HWU mentioned their trouble with identifying with the merged university:

It was so confusing, because everything changed. . . . So yes, I see myself more as an HWU member than as a member of the post-merger organization.

I find it difficult to associate with these power games. I can't, so I am not the person that feels a very strong attachment to the merged organization.

I can hardly call this place a university. (. . .) They are pushing the standards down and down again to suit the political emphasis. It is not comfortable to feel part of an organization that does not have a level that people understand. . . . that I even don't understand. (. . .) I am sure that other universities think we are a joke. (. . .) I don't feel proud to belong to such a nebulous and undirected mishmash.

Just as faculty from the HWU, faculty from the HBU also said they could not identify with the merged university. They also clarified that this was based on a feeling of discontinuity with their pre-merger organizational identification. As a faculty member from the HBU responded:

If I really have to be honest, in my heart I still think of it as the HBU. My feeling of loyalty to, and pride in the institution is still based on my long association with the HBU, because there is no shared vision among the employees yet. We don't share the same identity. Organizational identification is low.

The perceptions of dominance of the HWU made HBU members illustrate the trouble they had with identity discontinuity and how they still identified with the old organization:

They (HWU) think they are better. (. . .) There is no real change in terms of equity and promotion of people. . . . For me it went down, in terms of identification. The HBU had a good image out there, a lot of respect. But the merger. . . . it hasn't enlightened anything.

They think they have the superiority over 'them out there at the HBU', the lower campus in their perception. So no, of course, not. I still talk about the HBU. I still see this as the HBU.

Compared to HBU, yeah, I am totally out of touch. But when I listen to what the influence of the merger is in other departments. . . . In fact we just lost three of our most senior people. They just said 'I am not prepared to take all of this. I can't handle it, I am going'.

As the latter remark describes, several faculty members of both merging partners left the organization. Those who stayed, mentioned several negative consequences of the experienced decrease in organizational identification, like unwillingness to cooperate with members of the other merger partner. A faculty member from the HWU mentioned:

When you go to these intercampus functions, there is still quite a strong sense of sticking with your own group identity. So there is still quite a strong sense, at functions, in thinking, in developing ideas, of consulting with people in your own pre-merger organization, rather than across the merger institutions.

This was also the case with HBU members:

At the moment I still identify emotionally with the HBU. I will not go to the HWU campus. I have an office there now. I must spend two days of the week there and I make any excuse to come here. I live closer to the HWU campus, but I rather come here.

A HWU faculty member mentioned a positive effect of the merger, although this plea for internal competition will probably clash with the goal of enhanced cooperation:

I see it as an opportunity. Because we have this new identity we can improve ourselves. (. . .) I think I have become more productive. I think people should see it as healthy competition. So, if we want to be known as the better campus, we got to prove it. We got to have better attitudes; we have to be more aggressive about the way we teach.

This harsh attitude and determination to fight the battle in teaching, highlights an unexpected storyline: an apparent shift of focus from organizational to professional identification. Most of the faculty members of both pre-merger universities still claimed that their work is beneficial to the post-merger university, despite the refusal to collaborate. While explicitly mentioning the decrease of organizational identification, respondents emphasized their professional identification. Of course, academics are generally assumed to focus more on their profession than on their organization, but interestingly, a striking shift in discourse was found when evaluating the merger: pre-merger stories elaborated on the organizational issues, like identification with the university and status differences between the merger partners. Post-merger stories, on the other hand, diminished the relevance of the organization, stressing the 'actual' reasons for working. Several faculty members described how their organizational identification had decreased, and how they had sought motivation in their professional role. This change in focus was found by respondents of both merging partners:

I have got excellent students coming in, and I just don't want to drop them and say, 'Okay you all now have to go to this lower level'. So it is kind of a battle to try and keep everything on a professional level and to show that there is hope in the future. And that is basically the only reason why I stayed. (HWU faculty)

The organizational issues have not influenced my commitment. No, not at all. In fact, it has even urged me to get on with it, because I think the challenges are there. So it is more commitment to the subject I teach, rather than commitment to the organization. (HBU faculty)

I am here to help students. I am not here because of the institutions. They might pay me, but it is not about [the merged university]. In the end it is not a personal thing. It is about me doing my job and my job is to educate people at the end of the day. So that we produce good graduates. (HBU faculty)

If you don't [stay], you are doing injustice to your students. Because you are here for them. So I leave the issues behind me when I am in the classroom. (. . .) Issues may come and go. But what is most important are the students. So I always put that first. In that sense, the organizational issues don't actually matter. (HWU faculty)

## **Discussion**

The analysis of this merger combined the social identity literature with a sensemaking perspective to see how organization members dealt with a merger in terms of organizational identification, status differences, and dominance. In general, participants easily adapted to our suggestion to talk about the merger by using a vocabulary derived from the social identity literature (e.g., dominance, status differences, and identification). Tracing back the storyline during the analysis, it seemed helpful to the participants to frame their thoughts and feelings about the merger process. On one hand, this may look obvious as the design of the study explicitly led them down this

path. On the other hand, though, the ease with which the participants framed their stories in terms of the suggested vocabulary is at least one kind of indication of the suitability of the terms. Apart from the confirming aspects, the context-sensitive approach of qualitative methods highlighted two issues that demand further elaboration: (1) the domination issue as both merging partners viewed themselves as the dominated group and (2) the subtle shift of focus from organizational to professional identification when the story was told.

### **Domination in mergers**

Given the importance of dominance issues during a merger, power dynamics are inevitably included in the package deal of a merger (Giessner *et al.*, 2006; van Knippenberg *et al.*, 2002). The negative consequences of being dominated suggest that both merging partners would seize any opportunity to become the dominant group. In this case, though, something else happened.

This ambiguity is resonated in the stories: faculty of both universities saw their counterpart as the inferior merger partner in certain respects and also recognized that their own pre-merger organization was the inferior merger partner in other respects. The faculty from the HWU perceived their own institution as *academically* superior, but the former HBU as *politically* superior. In contrast, while faculty from the HBU also perceived the HWU as *intellectually* superior, they saw themselves as better teachers. This ambiguity was dealt with in a surprising way as both merger partners wanted to be considered the underdog in the post-merger situation. They emphasized those aspects (academic, political, or pedagogical) in which they perceived their own pre-merger institution as inferior, thus creating empathy for the fact that they had been put in a perilous position, which allowed their counterpart to become the dominant merger partner. The question is: why?

Social identity research stresses the benefits of being the dominant partner, most notably the sense of continuity (e.g., Cartwright & Cooper, 1992; Ullrich *et al.*, 2005; van Knippenberg *et al.*, 2002). One might expect both merging partners to hang on to the issues that made them feel dominant, but they did not. Our findings would have allowed us to expand a well-known argument: both merger partners may be dominant and dominated at the same time, based on different levels of pre-merger status. But the participants only referred to their feelings of being dominated, while none of them reported to having engaged in dominant behaviour themselves.

What war can be won by claiming to have lost this battle? At first sight, such a claim can only have negative consequences. SI-inspired merger studies have shown that dominated partners in a merger report decreased organizational identification. A decrease in organizational identification usually influences the performance of the merged organization negatively and increases turnover (Boen *et al.*, 2005; van Knippenberg *et al.*, 2002). On second thoughts, being the dominated party in a merger opens up an alternative for turnover. Claiming to be the dominated partner may be a way to distance oneself from the organizational level of identification and turn to other foci of identification. As van Knippenberg *et al.* (2002) suggested, 'the dominance asymmetry may work to communicate to the employees of the dominant organization that the merged organization is "their" organization' (p. 236). Selecting reasons why the merging partner has become the dominant side is a way to say that it is no longer your organization. You become the out-group. Turnover is a well-known reaction to this situation, but as self-categorization theory suggests, the organizational context provides

several categories for employees to structure the social reality at work. As Hogg and Terry (2000, p. 125) noted, 'People are not content to have their identity determined by the social cognitive context. On the contrary, they say and do things to try to change the parameters so that a subjectively more meaningful and self-favouring identity becomes salient'. This focus on self-interest implied a shift from one identity to another. While this is surely detrimental to organizational identification (Ullrich *et al.*, 2005, p. 1553), it gives room for other foci of identification.

### **Foci of identification during the merger**

Especially, in survey studies, the foci of identification are treated as existing in parallel universes, never really interacting. In this particular study, however, the stories about the merger suggest that other foci of identification become part of the dynamics of social identification. Professional identification was no part of the initial storyline that we used when we conducted the study. As the story unfolded, it became clear how the different foci of identification were intertwined. People categorized themselves differently, seeing the direction that the merger was heading. A certain degree of identification is needed to legitimate the effort one puts into a job, whether this be organizational or professional identification. For the academics we studied, their focus of identification seems to shift towards their profession, serving their self-interest. This is in line with results from a longitudinal study about different transition patterns among physicians by Thompson and van de Ven (2002), who also found a shift of commitment foci. They showed how individual physicians reported different patterns, ranging from compatibility to polarization of foci. They concluded that the relationship between organizational and professional commitment is neither static nor similar for all individuals. The present study links this dynamic view of commitment foci to category salience and identity studies (cf. van Dick, Wagner, Stellmacher, & Christ, 2005). Becoming the dominated partner in a merger helps people to leave the organization without actual turnover. As an out-group they can criticize the organization from within, cope with the perceived negative reputation of the merged organization, and be proud of their identity as professionals.

### **Practical implications**

This study offers important insights for practice. The main contribution is that the dynamics of several foci of identification are important to take into account in times of mergers and acquisitions. Easy mergers do not exist and the uncertainty that comes with them fuels dynamics that could harm both pre-merger organizations. In some cases, managers' organizational identification should restrain them from starting a merger in the first place, especially when the decision to merge stems from their professional identification (i.e., fuelled by an eagerness to show what good managers they are). Putting employees' organizational identification at stake, they should be well aware that employees' focus on their own professional identity can ease the stress they experience due to a tough merger. The subsequent decrease in organizational identification and performance could propel the organization in a destructive negative spiral.

Of course, a merger might be inevitable. In contrast to an acquisition, where there clearly is a dominant party, a merger is expected to occur between *equal* partners. But a social identity approach assumes that dominance issues will arise inevitably. Once a group feels dominated, they may try to undermine the merger (Hogg & Terry, 2000,

p. 133). Our study has shown that in order to cut off reflected failure, both sides claimed this role of the underdog. Employees who feel dominated need to be aware that the initial benefits they get by stressing their self-interest could be problematic in the long run when performance drops too low and cohesion disappears within the organization. For managers, it is important to stay alert regarding the way stories evolve and which categories of identity become salient over time. In contrast to polarized identifications, trying to keep different foci of identification together leads to involvement, openness to ideas, and work discretion (Thompson & van de Ven, 2002). Employees need to make sense of the new situation and stress that the similarities between groups can be helpful. Foregrounding existing similarities and complementarities facilitates the categorization of the initial separated groups into one new group. This has to be done wisely, especially when groups focus on differences rather than similarities. Bad timing and unwillingness to listen can cast the manager out of the in-group, thereby encouraging polarization rather than preventing it.

### **Limitations**

Researching self-categorization processes will probably influence the salience of certain identity categories. In that sense, participants may be directed in our suggested storyline even more strongly than we intended. However, the merger process was a really dominant issue in the organization at the time of the study. This suggests that the participants would experience a fit, meaning that the issues addressed in this study capture 'those features that people currently see as applicable to themselves' (Egins *et al.*, 2008, p. 281). Further, this study dealt with an extreme case of a merger, as the South African context made the dynamics of status differences and dominance more visible due to its recent history. This extremity, however, could hamper the transferability of the results (Lincoln & Guba, 1985). In addition, data were only collected from academics rather than from a broad and diverse group of professionals. Similar, more detailed studies in different professional organizations are thus needed to investigate the transferability of our findings. Related to this, the dynamic processes described in this article could be studied in more detail through a longitudinal research design (Thompson & van de Ven, 2002).

### **Conclusion**

The analysis of an extreme merger case that combines sensemaking and social identity theory has unveiled particular dynamics in the ways organization members deal with a turbulent situation. These dynamics stress the importance of self-categorization in social identity construction and show how the foci of identification can become intertwined. To give meaning to their work life, people need to make sense of what is happening around them. Helping organizational members deal with the construction of a coherent story is a task for practitioners and scholars alike.

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