Creating an Excellence Oriented Post-merged Organisational Culture through a Structured Approach to Employee Engagement

A Study of Selected Merged Institutions of Higher Learning in South Africa

This article specifically focuses on the importance of a structured approach to the implementation of employee engagement strategies in creating a post-merged organisational culture of excellent work performance. Theoretical insights from existing literature illustrate how a structured approach to the implementation of various employee engagement strategies have assisted merged corporates. The article also focuses on the way certain merged higher education institutions (HEIs) have applied specific employee engagement strategies, in a combination of structured and unstructured approaches, in their efforts to achieve a post-merged organisational culture of excellent work performance. These theoretical and empirical insights gleaned from various sources were compared with the findings of this particular empirical study in order to determine similarities and differences.

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Introduction

This study makes a significant contribution in an area that is crucial to post-merged HEIs. The area in question relates to the creation of a post-merged organisational culture of excellent work performance through a structured approach to employee engagement.

Mergers and acquisitions are considered to be the greatest disturbers of organisational culture-related peace. They create ambiguous working environments, employee incongruity and stress, which could adversely affect organisational performance and quality of work life. Organisational culture incompatibility and the lack of a structured approach to employee engagement are increasingly being blamed as the source of merger failure. A study which focused on mergers in the small, medium and macro enterprise sector has revealed that a clash in corporate cultures is the main reason for complicated post-merged conflict. Even in such instances, a structured approach to employee engagement may have assisted in alleviating clashing corporate cultures.

Mergers in HEIs in South Africa seem to have revealed similar post-merged conflict and complications.
In the same way university leaders in the United States of America recently expressed their dismay about the impact that the mere talk of mergers will have on their ability to recruit students and raise money during a time when both are needed.³

High-performing organisations do not take organisational culture change, brought on by events such as mergers, for granted. Instead, they build a strong capacity to change in order to sustain employee engagement which is considered to be a critical attribute. The importance of this attribute arises from the need of organisations to continuously evolve as their strategic goals shift, as a result of the changes brought on by mergers and acquisitions.⁴

This article provides information in respect of the research methodology that has been applied to obtain responses in respect of aspects contained in a theoretical Eight Step Integrated Post-Merged Model. The survey which was based on the Theoretical Eight Step Integrated Post-Merged Model included various aspects such as employee engagement and post-merged organisational culture, as well as employee engagement and performance excellence. The article also details the research design that was applied in the empirical study. The findings which emerged from this empirical study are provided in order to draw comparisons with the theoretical and empirical findings gleaned from similar studies. These aspects will be elaborated upon in the ensuing sections of this article.

**Research Methodology**

An empirical study was conducted which involved three merged South African HEIs, namely, Nelson Mandela Metropolitan University (NMMU, n=136), Cape Peninsula University of Technology (CPUT, n=69) and Durban University of Technology (DUT, n=71). The total number of respondents occupy the following functional categories, namely, executive management (n=13), senior and line management (n=70), human resources (HR) practitioners (n=16) as well as non-HR/non-management (n=177). Reference is also made to pertinent merger-related aspects that have emerged from different case studies within South African HEIs, international HEIs as well as various international corporate mergers.

The responses from CPUT and DUT (reported as CPUT/DUT) were combined for ease of statistical analysis given the relatively low response rate from each of these institutions. An integrated eight-step theoretical model was developed by means of the insights gleaned from strategies discussed in the literature study, as well as interviews with senior HR practitioners at the participating institutions. This model served as the basis for the development of the survey questionnaire which consisted of five sections. From the analysis and interpretation of the survey findings, this theoretical model was refined. The refinement resulted in the development of an Eight-Step Integrated Post-Merged Organisational Culture Creation Model. Apart from section one, the other four sections of the questionnaire dealt with specific aspects of the model. Respondents were required to indicate whether they perceived the various aspects in the questions to be important in terms of a ranking order of importance. Step seven of the model deals with the integration and alignment of the total organisation as part of the process of creating a post-merged organisational culture conducive to excellent work performance.

There have been scant studies of post-merged HEIs with specific reference to the importance and impact of a structured approach to the implementation of employee engagement
in creating a post-merged organisational culture leading to performance excellence.

Employee Engagement and Post-merged Organisational Culture

Employee engagement can be defined as employees’ emotional and intellectual commitment to their organisation and its success. Engaged employees typically experience a compelling purpose and meaning in their work and apply their distinct abilities and efforts to advance the organisation's objectives. Employment engagement relates to the extent to which employees know what is expected of them and are prepared to willingly apply their best effort to perform their jobs. It also refers to the difference between employees who do an adequate job, and those employees who consistently perform at their best, in a creative manner and usually using their initiative. The conclusion can therefore be drawn that employee engagement has the potential to add value to an organisation in various ways if implemented by having due regard for certain conditions which will be discussed in the following section.

What is the value of employee engagement?

Employee engagement is described as a powerful concept, because it conveys the notion of employees who are prepared to give it their all, work with passion and go the extra mile. It is further suggested that employee engagement could assist in the creation of excellence oriented performance work environments. Employee engagement can, however, only take place if it is pursued in a planned, structured and cogent manner as opposed to an unstructured and fragmented manner. A planned and structured approach would typically embrace the following four conditions:

- **Employees must have the capacity to engage.** This implies that effective employee engagement requires a work environment that does not only demand ‘more’, but also promotes information sharing, provides opportunities for learning and development, and encourages a balance in employees’ lives. This creates the basis for sustained energy and personal initiative, which will empower employees with goal-directed energy and resilience to deal with organisational and personal obstacles.

- **Employees must have a reason to engage.** This requires employees to have work that interests them and aligns them with their own values and the values of the organisation.

- **Employees must have the freedom to engage.** Engagement will occur when members feel secure to take action of their own accord. This emphasises the need for trust in order for employees to deal with adversity, uncertainty and change. The importance of trust in management and the organisation are key factors that must be present in order for employees to experience a culture of employee engagement.

- **Employees must know how to engage.** This implies that employees will engage with the organisation when they know what the strategic priorities are and the reasons behind them, as well as when the organisation aligns its processes and practices, in other words, its culture, in the pursuit of its goals.

A Structured Approach to Employee Engagement – The Ten Cs Methodology

An engaged employee is as an individual who is fully involved in and enthusiastic about his or her work. It is argued that engaged employees...
care about the future of the organisation. They are willing to invest discretionary efforts that far exceed the call of duty in order to contribute to the success of the organisation. It is suggested that only between 17 and 29 per cent of an organisation’s employees are fully engaged in their jobs at any given time. If equated to a football team, this would imply that only two or three players on the team would be 100 per cent committed to the team’s success. Given the pivotal role of effective employee engagement during organisational changes such as mergers and acquisitions, it is suggested that organisations should consider embarking on a planned and structured approach to implementing employee engagement by means of the ‘ten Cs of employee engagement’. This could support their efforts to create an engaged workforce and establish a post-merged organisational culture of excellent performance. In summary, these ten principles are:

- **Connect.** Leaders need to demonstrate that they value employees. Employee engagement is a direct reflection of how employees perceive their relationships with their immediate superiors.
- **Career.** Leaders are required to provide challenging and meaningful work with relevant career advancement opportunities. Employees desire to perform new and varied tasks in their jobs. For example, organisations need to provide job rotation opportunities and assign stretch goals to their top, talented employees.
- **Clarity.** Leaders need to communicate a clear vision to their employees. Employees on the other hand need to understand what the organisation’s goals are, why they are important and how the goals can best be attained.
- **Convey.** Leaders need to clarify their expectations about employees and provide feedback on their functioning in the organisation.
- **Congratulate.** Employees require feedback and recognition. Leaders, in turn, provide coaching and mentoring to ensure sustained achievement.
- **Contribute.** Employees want to know that their contributions are making a difference and that they are adding value to the organisation’s success in a meaningful way. Visionary leaders assist employees in understanding how they are contributing to the organisation’s success and future.
- **Control.** Employees value the opportunity to take charge of the flow and pace of their jobs, and leaders can create an environment in which employees can exercise this control. A sense of ‘being in on things’ and being given opportunities to participate in decision making often reduce stress. Trust is enhanced and a culture in which employees want to take ownership of problems and their solutions is fostered.
- **Collaborate.** Leaders should foster an environment in which employees are encouraged to enter into collaborative efforts. Studies show that when employees work in teams, and have the trust and cooperation of their team members, they outperform those who do not have good relationships.
- **Credibility.** Leaders should strive to maintain the organisation’s reputation and demonstrate their allegiance to the values of the organisation through consistently high ethical standards.
- **Confidence.** Leaders need to instil confidence among employees in the organisation by demonstrating high ethical and performance standards.¹⁷

As will be discussed later in this article, the four conditions as proposed by Macey et al. (2009, p. 10), together with the ten Cs of employee engagement, either in a conflated form
or described by means of alternative terminology, seem to have been applied in an unstructured and fragmented manner in some post-merged HEIs, disputably with limited planned and anticipated success. Other post-merged HEIs appear to have adopted a more structured and lucid approach to employee engagement, evidenced by the successful post-merged outcomes that have been achieved. This conclusion is based on the theories of Ambler and Macey et al. regarding the cause and effect relationship between a planned and structured approach to employee engagement and the notion that engaged employees deliver their best efforts towards building an excellently performing organisation. Reference will also be made to certain perceived positive performance consequences as well as certain unfavourable consequences that could possibly be ascribed to the employee engagement approaches that have been adopted by various post-merged HEIs.

**Employee Disengagement – A Possible Consequence of Ineffective Employee Engagement**

Arising from various lessons learnt during several corporate mergers, it was noted that when communications with employees affected by the merger happen on a need-to-know basis and when the ‘softer people issues’ are treated as an afterthought, employee disengagement is a very real possibility. It is noted that this experience runs contrary to what is suggested by way of the four basic planned and structured employee engagement conditions of Macey et al. There are numerous examples of corporate mergers that have failed as a result of ineffective merger-related communication. In the merger between Main Street Financial Federal Credit Union and Jefferson Financial Credit Union of Metairie it was reported that poor communication played a significant role in the failed merger.8 The failed merger attempt of Backblaze, an online back-up and storage organisation, was attributed to the failure to build trust through uncomplicated communication, as opposed to relying on legalese to convey important merger-related information.9 A lack of clarity regarding levels of authority and most importantly, the security of jobs, contributed substantially to the failed merger of Sprint and Nextel Communications.10

This method of communication serves as a typical example of an unstructured approach to employee engagement in a corporate setting.

Employee disengagement (which is what the planned, structured and cogent implementation of the four employee engagement conditions referred to by Macey et al., seeks to avoid) is a sure sign of post-merged dysfunction. The symptoms of employee disengagement include alienation or loss of identity with the merged organisation, work groups or teams. This in turn results in the following negative performance and behavioural outcomes:

- Day-to-day decision making grinds to a halt as overall decisions from the top are awaited.
- Employees do not know where they will end up or how they will contribute.
- Employees feel that their job security and future are threatened.
- Employees no longer feel a vital part of the organisation.
- Work morale plunges.
- Battle lines are drawn. An ‘us vs. them’ stance emerges where cultural, corporate, country and continental differences are exaggerated and feared.
- Personal value and contribution are lost or undermined. The pervasive question in most employees’ minds is: Where do I fit?
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Because of the initial state of employee disengagement, effective employee engagement becomes more difficult as time passes during the merger. Hence it is advisable to start this process in a planned, structured and cogent manner at the pre-merger stage and to stay with it through to the post-merged integration period. These are the main drivers and are essential to maintaining the energy and drive to move successfully through the stress and pressures of the transitional stages of the merger. It can be argued that the planned, structured and sustained approach could increase employees’ sense of belonging, motivation and engagement, which is congruent with the four conditions of employee engagement of Macey et al.

Turning to mergers in HEIs, the DUT merger process revealed that employees found it difficult to reach common ground, understand the merger-related dynamics, and develop effective working relationships with their new colleagues who were likely to be potential future competitors for jobs. These behaviours and phenomena could suggest that employees had difficulty in engaging effectively with their roles, their fellow employees and the merged institution's way of operating. In short, effective employee engagement was at risk of not being achieved within the post-merged DUT environment. This in turn may have had a stifling effect on the post-merged institution's ability to create an excellence oriented organisational culture. In the absence of empirical evidence confirming a structured employee engagement approach, it would be reasonable to infer that employee engagement-related matters were dealt with in an unplanned, unstructured and fragmented manner at DUT.

In a post-merged study conducted at the Tshwane University of Technology (TUT), it was reported that both academic and administrative performance standards had reduced as a result of the merger. It was further reported that employee morale showed a decline after the TUT merger. These difficulties could suggest that employees were not effectively engaged in their roles and the post-merged purpose of the new institution. Similarly, it would be reasonable to infer that TUT did not implement an employee engagement programme in a planned and structured manner in its efforts to creating an excellence oriented post-merged organisational culture.

Evidence of post-merged success, possibly attributable to a more planned and structured application of the four employee engagement conditions and the ten Cs of employee engagement, can however be found in the post-merged performance of certain merged HEIs.

Upon reflection of the post-merged success achieved at the University of South Australia (UniSA), mention is made of the implementation of a planned, structured and cogent approach to employee engagement which is akin to the four employee engagement conditions as discussed by Ambler and Macey et al. UniSA was formed through a merger of the South Australian Institute of Technology (SAIT) and the South Australian College of Advanced Education (SACAE) in 1991. In ensuring that its employees were effectively engaged in order to create a post-merged organisational culture which is conducive to delivering excellent post-merged results, UniSA embarked on the following actions:

- They reconfigured the work arrangements by introducing flexitime and job sharing, thus creating enabling conditions for employees to engage in meaningfully. Through work sharing, a supportive work environment and flexitime work arrangements, employees were able to pursue other areas of work that interest them. These arrangements also provide
employees with an opportunity to balance the priorities in their lives.

- Regular surveys to obtain employees’ views on various pertinent issues which inform the Annual Workforce Report as well as the UniSA Corporate Plan. This promotes open communication and employees are provided with an opportunity to make their views known.

- Strong and focused attention was placed on human capital development to enable employees to deliver on the strategic intent of UniSA, the conceptualisation of which they were consulted on through employee opinion surveys and various forums.

Through a series of planned, structured and ongoing post-merged employee engagement efforts, UniSA has, since its merger in 1991, been able to improve significantly in the following selected areas:

- Institutional revenue
- Local and international student numbers
- The number of graduates and a tripling of research income
- The university has been a significant force in Indigenous Higher Education, with over 300 indigenous students enrolled each year.
- The institution has taken its place as a major contributor to cultural and public life by the establishment of the Hawke Centre which promotes responsible citizenship through public debate, research and educational programmes and is soon to open the second largest public art gallery in the state of South Australia. The Hawke Centre honours the Hon. Bob Hawke, Prime Minister of Australia, 1983–1991, who is an active participant in the affairs of the Hawke Centre.
- Maintained a focus on gender equity and has received the status of Employer of Choice for Women, by the federal government, continuously from 2002 to 2007.
- The number of internationally recognised research institutes has increased from two to eight.\(^4\)

It could be argued that most – if not all – of these achievements would be envied and greatly celebrated by many a merged HEI anywhere in the world.

A similar example which suggests that a fairly structured and planned approach to employee engagement was adopted in the post-merged institution can be found in the merged University of KwaZulu-Natal (UKZN).

The Vice Chancellor states that much emphasis was placed on the following structured, planned and focused employee engagement-related efforts:

- Avoiding a leadership vacuum
- Ensuring that an atmosphere of stability and unity prevailed on all campuses
- Working hard to avoid unnecessary uncertainty and ambiguity on the part of employees in relation to the short- and long-term objectives of the merger
- Paying close attention to issues such as employment equity and transformation in general
- Addressing employees’ remuneration and role-clarity concerns in a systematic manner
- Creating an enabling organisational culture capable of supporting the mission and vision of the university.\(^5\)

In a report, faculty deans at the merged UKZN make reference to the following list of post-merged achievements:

- The amalgamation of four diverse faculties on three different campuses into a single faculty of Humanities, Development and Social Sciences (HDSS) on two campuses
- The successful creation of 13 new schools (9 of which are multi-camped) containing 72 separate disciplines and 50 centres
- The dramatic increase in research productivity in the faculty of HDSS
- The creation of an environment which permits the production of 24 accredited scholarly journals in HDSS, the largest number produced in any faculty in the country
- The creation of an environment where equity and excellence are a prime consideration in the appointment of employees
- The creation of a significant community-based outreach programme, especially in the professionally orientated disciplines in HDSS
- The successful phasing out over three years of the pipeline Westville student cohort
- Greater demographic representation
- The merging of two distinct academic cultures.

From the above discussion it appears that post-merged success in both the corporate and higher education sectors can be associated with the implementation of a planned, structured and cogent approach to the four employee engagement conditions as proposed by Macey et al. (refer to Macey et al.’s four conditions as mentioned above) as well as the ten Cs of employee engagement.

Organisational culture in general has been strongly linked with excellent organisational performance.16

The creation of an excellence oriented performance culture to enable the performance of the organisation’s teams and employees requires a systematic and disciplined approach. This seems to be congruent with the requirements of achieving effective employee engagement, as proffered by Macey et al. It is further posited that, in an excellence oriented performance culture, proactive performance management prevents obstructive behaviours and supports, reinforces and rewards constructive behaviours. The following principles could serve as building blocks towards achieving an excellence oriented performance culture in any type of organisation:

- Openness and trust that give employees the willingness to speak the unspeakable, react more honestly, ask questions more frequently and be more spontaneous with their comments and contributions.
- Managing differences by addressing conflict and dealing with unfulfilled commitments. Alternatives are considered without a preconceived outcome, and employees express real opinions and feel free to move beyond the perceived ‘safe talk’ zone.
- Simplicity and focus on effective implementation, defining in clear terms what needs to be accomplished and how. Employees at all levels are committed to removing rather than adding complexity to the way of conducting business. Employees do not view the notion of having fun and being results-driven as being mutually exclusive. Instead, they view them as being interdependent.
- Playing to each person’s strengths, where leaders are less concerned about closing gaps, and focusing more on learning and building strengths. This requires that leaders know their employees and are able to match talent and task effectively.17

It can be argued that these principles which serve as building blocks to creating an excellence oriented organisational culture in any type of organisation are not dissimilar to the conditions or the ten Cs of employee engagement. If applied in conjunction and in accordance with a planned and structured approach to the four conditions of employee engagement as well as the ten Cs of employee engagement, it could be argued that there will be enhanced...
prospects of creating an excellence oriented organisational culture in any organisation – even in a post-merged HEI.

A reflection on the NMMU merger reveals that the successes achieved in the post-merged institution resonate with the effects achieved in applying the building blocks as proposed by Reid and Hubbell, as well as a planned and structured application of the four employee engagement conditions as advocated by Macey et al., and the ten Cs of employee engagement as proposed by Ambler. In particular, the resonance with these building blocks, as well as the planned and structured implementation of employee engagement conditions and the ten Cs of employee engagement, is evidenced by the following key approaches adopted in advancing its post-merged excellence organisational culture creation efforts:

- A set of eight institutional academic focus areas were adopted during 2005 after extensive consultation and workshops with all the relevant stakeholders, including employees. This implies that the institution created the conditions for employees to engage freely.
- Consultation was conducted in a spirit of openness and transparency and authenticated by regular communication in relation to the development of a well-defined strategic framework that would provide the institution with strategic direction.
- Creating conditions that would enable employees to engage their best efforts in building an excellence oriented post-merged institution. This implies that NMMU employees had reason to engage.
- Placing focused attention on integrating the pre-merged information systems in the most cost-effective, people-centred and simplified manner. This implies that NMMU employees were given the capacity to engage.
- The provision of fit-for-purpose office space.
- Minimisation of retrenchments, in order to contain employee anxiety and create a stable post-merged environment at NMMU.
- Addressing merger-related salary and conditions of service anomalies by committing itself to a process of harmonising remuneration anomalies as part of its post-merged employee engagement efforts.18

CPUT serves as a further example of how a merged HEI has appropriated the approaches proposed by Reid and Hubbel, Ambler and Macey et al in striving to create a post-merged organisational culture which is conducive to performance excellence. In its statement of strategic intent regarding the approaches to be adopted, mention is made of:

- CPUT’s intention to imbue humane values in its pursuit of excellence in its post-merged academic and educational projects. This implies that the institution approached its strategic planning and implementation processes in a manner that would not alienate employees, but rather create opportunities for them to participate, understand and inform such processes. It further implies that employees were empowered with the capacity and the reason to engage in these important post-merged institutional processes.
- Together with its in-house publication called Moja (meaning ‘good news’ in isiZulu) and its Café Chats, the institution created opportunities for employees to engage freely with pertinent merger-related matters.
- CPUT committed itself to creating an empowering environment, allowing for the acquisition of applied knowledge as a basis for pursuing its broader transformation objectives.
- The transformation project embraced the basic tenets of equity and redress; access,
retention and success; non-racism and non-discrimination; diversity; social cohesion; support for a conducive learning and working climate; and gender.19

The above examples are an indication that these two merged universities have arguably embarked upon the creation of a post-merged organisational culture, characterised by excellence, in a manner which resonates with the planned and structured approaches and conditions referred to by Reid and Hubbell, Ambler and Macey et al. From the examples cited, it can be noted that these merged HEIs paid careful attention to the principles and conditions that would support the creation of a cohesive workforce and a unified post-merged organisational culture. A cohesive workforce and a unified post-merged organisational culture, in turn, could assist these institutions in their efforts to mitigate and eliminate the alienation of employees on the basis of race, culture, gender or any other form of diversity.

The joint vision which guided the merger between Northumberland College and the Corporation of Newcastle College was articulated to establish a high performing college capable of meeting the needs and aspirations of the communities it serves. The leadership of the merging institution was mindful of the importance of having an engaged workforce. To create an engaged workforce, they placed much emphasis on involving employees in decision making, valuing their contributions and investing in their development.20 These types of intervention seem to resonate with a planned and structured approach to employee engagement.

The merger between the University of Toledo (UT) and the Medical University of Ohio (MUO) focused on moving towards a shared identity that embraced its mission and strategic plan as well as integrating two very different cultures to build a strong merged institution. This merger resulted in the ‘new University of Toledo’. The leadership of the merged institution deemed it important for internal and external stakeholders to identify with the shared mission and strategic plan. Employees were quoted as saying: ‘We must share the belief that we succeed or fail together.’ In their determination to embrace the advent of the newly formed institution, several other employees suggested that the word ‘former’ should be removed from university vocabulary and that the community and the local newspaper should be encouraged to do the same. In order to further enhance their employee engagement efforts, the newly merged institution embarked on initiatives such as

- providing more opportunities for social interaction and relationship building among the employees across the campuses
- establishing university-wide forums for professional interaction
- rewarding excellence and initiative-taking behaviour among employees
- improving communication to engage the university community in the organisational culture integration efforts.21

These two universities serve as further examples of how the two merged institutions have endeavoured to use a planned and structured approach to create an engaged workforce. This suggests that there was a realisation on their part of the importance of building a high performance post-merged institution.

Certain corporate post-merged organisations have applied a planned and structured approach in implementing specific principles related to employee engagement, with positive consequences in their pursuit of a post-merged organisational culture conducive to performance excellence. One such example of a planned
and structured approach relates to the Gallup employee engagement questionnaire.

In analysing the aspects addressed in the Gallup employee engagement questionnaire, research findings have revealed that such companies reported significant performance in respect of the critical objectives such as reduced absenteeism, reduced employee turnover and fewer safety incidents. Participants are required to respond by recoding a ‘yes’ or ‘no’ response next to each question.

The Gallup employee engagement questionnaire comprises the following items:
- I know what is expected of me at work.
- I have the materials and equipment I need to do my work right.
- At work, I have the opportunity to do what I do best every day.
- In the last seven days, I have received recognition or praise for doing good work.
- My supervisor, or someone at work, seems to care about me as a person.
- There is someone at work who encourages my development.
- At work, my opinions seem to count.
- The mission or purpose of my organisation makes me feel my job is important.
- My associates or fellow employees are committed to doing quality work.
- I have a best friend at work.
- In the last six months, someone at work has talked to me about my progress.
- This last year, I have had opportunities at work to learn and grow.

It can be argued that if employees provide a ‘yes’ response to most or all of the items contained in the Gallup employee engagement survey, they could be considered as being effectively engaged with and involved in the work required to support the creation of an organisational culture of performance excellence in their post-merged organisations.

In reflecting on the ways in which post-merged organisations can capitalise on latent synergies capable of creating an organisational culture of excellent performance, it is suggested that the merger leadership should espouse the principles of and provide the conditions for synergy and employee engagement through the design and execution phases. This implies that employees from both merging organisations must be promptly involved in substantive and meaningful core business tasks, as well as on merger project teams. It further implies that there needs to be a visible demonstration of commitment to joint learning and the creation of something which is greater than either party could create on its own.

To further support the process of creating an excellence oriented performance organisational culture through successful post-merged integration, senior management should spend time engaging with employees in an authentic manner, rather than simply delivering well-prepared presentations. According to Bohlin et al., the post-merged integration process needs to be:
- driven by a clear vision of the new post-merged organisation, including its intended core purpose, mission, strategy and essential values
- owned and executed by and in conjunction with key stakeholders
- fluidly coordinated and flexibly self-adjusting
- continuously communicated – laterally and vertically, across the organisation and as part of the day-to-day operations
- encouraging openness and responsive and constant feedback
- cognisant of human needs such as inclusion, order, self-control and the opportunity to make choices.
An excellence oriented performance post-merged organisational culture was created in Reynolds American by implementing the following strategies:

- A pre-merged culture survey was conducted in order to determine the progress in respect of the culture integration as well as to identify the areas in need of immediate attention. Over 3 000 employees completed this survey, which provided positive reinforcement for the integration work that had been done.

- The vision, strategy and core values were relentlessly communicated through open and meaningful conversations with all employees about the roadmap to post-merged success.

- Employees were encouraged to take responsibility and ownership of their work in order to fully realise the benefits of the merger.

- Each function within the merging organisation was charged with developing an Employee Engagement Plan, describing how it was going to engage employees in an effort to make progress in ‘empowerment and creating change’ – the two areas that received the lowest rating in the pre-merger culture survey.

- Most Employee Engagement Plans included the use of functional focus groups to explore other issues raised in the pre-merger survey.

- Leaders were tasked to get as much input and employee reaction as possible prior to launching any major initiatives.

- Each functional team was then tasked with presenting their Employee Engagement Plans to the High Performance Culture Team which included senior executives from Reynolds American.

Based on the above discussion, it can be concluded that merged organisations that are striving to create a post-merged organisational culture of excellent performance could extract significant benefit from formulating and implementing a structured and cogent employee engagement plan. Employee engagement can therefore be considered as a critically important variable in the context of organisational change management during events such as mergers.

Three types of employee behaviour, which need to be carefully considered when embarking on employee engagement as part of a broader change management process such as a merger, include the following:

- **Design behaviour** is typically demonstrated when employees show initiative, take risks or even ‘rock the boat’. These employees are usually ready to get on with the work at hand owing to their impatience and the need to try something new. Stepping on the toes of their colleagues and making them feel uncomfortable is also not uncommon. They are usually not invited to important meetings, are the last to receive important information and are even called names. These employees are actively involved in work processes – both at the level of getting work done and making suggestions about how work could be done. They would typically say things like: ‘How can we make this process better?’; ‘How can we simplify it?’; ‘Why do we do it this way?’ or ‘Why does everyone have to wait so long?’ In short, they are risk takers, innovators and changers in an organisation.

- **Default behaviour** is characterised by delaying tactics and the propensity to point out the big negatives before an important change initiative is embarked upon. There is a strong tendency to act in a self-preserving way owing to the employees’ tendency to feel threatened by change. They tend to shy away from taking risks, asking questions
and taking on assignments. They would typically make statements like: ‘The board will never go for that,’ or ‘Let’s just wait for six months to see if any of this stuff is still around’. A total of 90 per cent of what goes on in a typical organisation stems from default behaviour.

- **Defiant behaviour** is described as the most dramatic form of resistance to change. These employees display clear signs of hostility towards the very idea of change. Their defiant behaviour can usually be noticed in hostile glances, nervous shifting in chairs, rolling of eyes to the ceiling and even frowns on faces. These employees do not care about the impact of their behaviour on the client or the organisation and only care about protecting their comfortable work life. They would typically make statements like: ‘This is a complete waste of time’; ‘I am not going to do that and you can’t force me to either,’ or ‘You adopt that new tracking system and I will quit’. Quite strangely, they feel that they have the right and the latitude not to buy-in to the change.25

Merged organisations need to be aware of the existence of default and defiant behaviours, and the possible adverse impact that such behaviours could have on their efforts to create a post-merged organisational culture conducive to excellent performance.

The most important driver of employees’ attitudes and engagement after a merger is their understanding of new jobs and roles in the merged organisation. Merged organisations can minimise their human capital risks by effectively restructuring jobs, and unambiguously communicating changes in roles and responsibilities to affected employees. The greater the proportion of disengaged employees, typically displaying default and defiant behaviour in a merged organisation’s workforce, the greater the human capital risk as well as the risk of ineffective performance management. Engaged employees, exhibiting design behaviour, tend to be more committed and focused. They feel proud of their organisations, and have a clear line of sight of how their own performance aligns with the goals and objectives of their organisations. There is a proven link between employee engagement and organisational success; employee engagement plays an important role in productivity and organisational performance.26

**Employee Engagement and Performance Excellence**

Engaged employees create more value and offer more of what they have. Consequently, an engaged workforce is simply more productive than a workforce that is not engaged. Macey et al. further point out that the more employees are engaged in their organisations, the better the organisational performance in respect of their key business indicators. This conclusion is based on a study of the employee engagement index of 65 organisations in different industries. A distinction was drawn between the top and bottom 25 per cent of these companies, comparing their levels of employee engagement with three measures of financial performance: return on assets, profitability and shareholder value.

A similar positive correlation between employee engagement and important performance indicators that are relevant to HEIs has been noted. As indicated earlier in this article, the positive results related to the key performance indicators in post-merged HEIs such as UKZN, NMMU, UniSA and the ‘new’ University of Toledo, can possibly be correlated with the planned and structured approaches which they
have adopted in respect of employee engagement. These structured approaches served as a means of creating a post-merged organisational culture of performance excellence. Results of post-merged HEIs quoted in this article typically relate to increased student retention and throughput, increased research outputs, improved engagement, increased non-governmental revenue streams, more effective and efficient operations and improved social transformation which includes improved employee cohesion and less alienation of under-represented groupings.

The achievement of effective employee engagement and organisational culture integration is critical in ensuring post-merged organisational performance excellence. With regard to employee engagement-related variables, it is proposed that employee retention, absenteeism, individual performance to budget, and employee perception and satisfaction in relation to organisational culture integration, be measured and monitored. In terms of post-merged success, increases or decreases in profitability, productivity levels, revenue and market share should be measured and monitored.27

It can therefore be concluded that merged organisations that do not measure and monitor performance indicators that are typically tracked in order to gauge the extent of employee engagement and its impact on organisational performance, as suggested by Carlton and Lineberry, could be at risk of not achieving the suggested positive post-merged performance outcomes linked to a planned and cogent employee engagement approach. Failure to attend to these aspects has the potential of causing merger failure, low employee morale, increased anxiety and uncertainty. Such negative emotions on the part of employees could have an adverse effect on an organisation's aspirations of creating an excellence oriented post-merged organisational culture.

A question that arises is: “How pervasive is employee engagement in post-merged HEIs?” This question also triggers notions of the relevance of employee engagement to the higher education sector with specific reference to organisational culture creation and performance excellence in the merged institutions. In spite of reports that confirm the positive outcomes derived by various organisations that have successfully implemented employee engagement programmes (structured and unstructured), research in the scholarly community seems to be lagging behind. There is, however, an emergence of rigorous academic research in the wake of the growing popularity of the concept of employee engagement among practitioners, but it is still in its early stages of development. Based on information retrieved from scholarly and practitioner databases for the period 1990 to 2010, only 159 articles related to employee engagement were published of which only 26 were based on empirically driven scholarly research. Of greater significance to the human resources practitioner community is the fact that only in 2009 did the first article containing the concept of employee engagement appear in the Academy of Human Resources sponsored journal. There is a contrasting rapid growth in popularity in respect of employee engagement in the practitioner community and the need for reliable answers and solutions, as well as the growing emergence of the concept in the academic community, which has led to two different perspectives. The one perspective relates to the practitioner approach and the other to the academic approach. The practitioner approach concerns itself with the usability of the construct and its tangible outcomes such as improved employee retention, commitment and productivity.28

Based on this information, an argument can be formulated which suggests that the
relative paucity of research studies dealing with the importance or the effects of employee engagement on organisational culture creation within higher education in general and post-merged universities in particular, could have muted the articulation of benefits derived from effective employee engagement in university mergers. It could further be argued that the practitioner approach which leveraged the usability effects of employee engagement as a construct in corporate environments resulted in more tangible outcomes, such as increased profits or productivity, albeit based on face validity. Face validity is rather a general measure of results or data while content validity is carefully evaluated.  

This study made an internet-based questionnaire available to potential respondents. A generalised communiqué was issued to all employees through the intranet at the respective participating institutions, inviting employees who fall in the following functional categories to participate in the survey:
- executive management
- line managers
- HR practitioners
- non-HR or non-management

Respondents were required to complete the questionnaire after accessing it through the hyperlink that was inserted in the body of the communiqué.

<table>
<thead>
<tr>
<th>Functional category</th>
<th>Name of merged institution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NMMU</td>
</tr>
<tr>
<td>Executive management</td>
<td>7</td>
</tr>
<tr>
<td>Line management</td>
<td>32</td>
</tr>
<tr>
<td>HR practitioner</td>
<td>7</td>
</tr>
<tr>
<td>Other</td>
<td>90</td>
</tr>
<tr>
<td>Total</td>
<td>136</td>
</tr>
</tbody>
</table>

Response Rates

Figure 1 provides a visual illustration of the tabulated response rate per merged institution.

It is clear from the information contained in Figure 1 that the NMMU employees completed the majority of the questionnaires compared to those of CPUT and DUT as separate institutions. Accordingly, given the low response rates from CPUT and DUT, the responses from these two institutions were combined for purposes of statistical analysis.
Table 2 Questions related to employee engagement

<table>
<thead>
<tr>
<th>Step 4: Organisational culture integration and alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3-8 Line managers should be expected to provide employees, through small-group sessions, with greater clarity about the direction and purpose of the merged organisation</td>
</tr>
<tr>
<td>Q3-9 Line managers should be expected to gain employees’ buy-in regarding behaviours and work practices that will strengthen the values of the merged institution</td>
</tr>
<tr>
<td>Q3-10 Every employee in the merged institution should be given the opportunity to clearly understand the reasons for the merger</td>
</tr>
<tr>
<td>Q3-11 Every employee should be given an opportunity to clearly understand the direction of the merged institution</td>
</tr>
<tr>
<td>Q3-12 Every employee should be given an opportunity to clearly understand the changes that are required to create a high performance post-merged institution</td>
</tr>
<tr>
<td>Q3-13 Every employee should be given an opportunity to clearly understand the mission, vision and values of the post-merged institution</td>
</tr>
<tr>
<td>Q3-14 Every employee should receive a personal communiqué, inviting them to be part of creating an effectively performing merged institution</td>
</tr>
</tbody>
</table>
Quantitative Analysis of Results

Table 2 provides details of the seven questions under Section three of the questionnaire, which focused on aspects related to the role of the executive leadership in respect of employee engagement in a post-merged environment.

Phase 2, step 4 of the Eight-Step Integrated Post-Merged Organisational Culture Creation Model which was developed based on the empirical findings of this study, addresses the development of an organisational culture integration and alignment plan of the total organisation through the use of a structured approach to employee engagement. The questions in Table 2 formed part of the questions in Section three of the survey questionnaire.

The results in Table 3 provide information related to the significance of correlations between the various questions and phases and their associated process steps of an integrated theoretical model that was developed based on the theoretical insights gained from the literature study. The data above the diagonal line in the table relate to the responses obtained from NMMU and the data below the line to responses obtained from CPUT/DUT.

The scores indicated in bold in Table 3 denote a significant correlation between those particular phases’ summated scores in terms of importance within the two groups (NMMU and CPUT/DUT). A correlation is statistically significant if \(|r| > 0.168\) for NMMU and \(|r| > 0.166\) for CPUT/DUT and practically significant if \(|r| > 0.30\) significant for both NMMU and CPUT/DUT. The correlations indicate congruence between the different institutions in terms of the importance of these factors, as well as the interrelatedness of these factors. It is also significant to note that P4 correlates positively with P3.1 (executive management), P3.2 (senior and line management), P3.3 (the total organisation) as well as P3 (initiate integration and alignment implementation process). This positive correlation suggests that employee engagement is an integral part of all of those aspects.
These correlations confirm the reliability of the items in the questionnaire and their relation to the specific phases.

**The Cronbach’s Alpha Test for Internal Consistency and Reliability**

The Cronbach’s alpha is a statistical test that is used to establish the internal consistency and reliability of the items or statements included in the questionnaire. It is particularly useful in instances where a Likert-type scale has been applied according to Struwig and Stead. In essence, according to Simon, the Cronbach’s alpha measures how well the items or statements measure a specific concept or factor, such as executive management integration and alignment or line management integration and alignment, and whether the statements in the questionnaire or sub-scale belong together. The Cronbach’s alpha coefficient greater than 0.70, the recommended value for reliability, was observed for all the factors, with values ranging from 0.78 to 0.90. A value of 0.06 is acceptable as sufficient evidence of adequate reliability for purposes of an exploratory study. The observed Cronbach’s alpha coefficients relating to the factors in Table 6 all exceeded the 0.07 threshold, thus confirming the reliability of the summated scores derived from the individual measuring instruments.

The results from the Cronbach’s alpha test are presented in Table 4.

Table 4 depicts the Cronbach’s alpha coefficient summated scores obtained for the various phases (P1, P2, P3, P4), process steps (P1.1, P1.2, P1.3, P3.1, P3.2, P3.3) and moderating variables (MV) that were used in the survey questionnaire.

**Conclusion**

The theoretical insights in this article refer to various real successes that have been achieved.
in corporate and HEI mergers. It is also evident from the theory which has been cited, indicating that the merged corporates and HEIs have relied upon either structured or unstructured approaches to achieving an engaged and unified employee body.

The insights gained from the findings of the empirical study seem to indicate congruence with the theoretical views on employee engagement regarding the role of executive management and line management, as well as the employee, in relation to creating an integrated and aligned organisational culture.

It is, however, unclear whether the seeming cause-and-effect relationship between employee engagement and excellent performance was a specific pre-merger objective in any of the corporates or HEIs referred to in this article. If not, merging organisations would be well advised to specifically articulate a structured approach to employee engagement as a necessary condition for post-merged successes.

Notes and References


Creating an Excellence Oriented Post-merged Organisational Culture through a Structured Approach | Gary Paul


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