CRITICAL ENCOUNTER

A CASE STUDY OF
A HIGH-TEC JOINT VENTURE

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Table of Contents

Table of Figures

Abstract

The purpose of this thesis is to contribute to the understanding of how people in a joint venture between two knowledge intensive companies experience their first meeting. Human factors are increasingly being held responsible for merger failure and the most frequent explanation for the conflicts that often arise between people is 'culture clash'. We argue that 'culture clash' provides an imperfect explanation, as it is based of a functionalistic view on organizational culture. Instead, we suggest a symbolic approach to culture using this approach. We have found that the conflicts that arise are due to differences in conceptions between individuals, rather than collectives. A second reason is insufficient information, which makes it difficult for people to form an understanding of their situation. This leads to increased insecurity and often suspicion about the partner's real intentions. We have found that integration and meeting places are important, in terms of providing opportunities for knowledge sharing, the development of a shared understanding and establishing a new identity.

Keywords: Joint venture, merger, organizational culture, symbolism, symbols, communication, shared understanding, knowledge transfer.

Acknowledgements

We would like to show our deepest gratitude to all the people who have helped us during our work with this thesis. First of all we wish to thank Malin Boultwood at our Case Company for letting us be a part of their exciting journey. Thank you for all your help. We also thank Eva Hast for assisting us with interviews and other administration at The Site. We would especially like to thank all the persons who have participated in the interviews. Thank you for your openness and cooperation. Without you this thesis would not have been possible.

We also want to thank the academics at the School of Economics and Commercial Law, who have significantly contributed to our understanding of complex issues; Eva Wikström, Karin Winroth, Axel Targama and Maria Tullberg. Thank you for sharing your insights, and for your time and availability. Many thanks also to Torbjörn Stjernberg for your critical comments and suggestions.

Most of all, we want to thank our ever supporting advisor, Björn Alarik at the Graduate Business School. Thank you for always being available at short notice to guide and advice us, and for helping us to always focus on the possibilities.

The Elephant

Once upon a time a king came with his elephant to a village where all the inhabitants were blind. The king pitched his camp a short distance from the village and soon three of the most curious villagers came to experience the elephant, an animal they had never experienced before. As they did not know anything about the elephant's shape they fumbled their way along and collected information by touching it. One of them got hold of the elephant's ear, another one grabbed its trunk and the third man got a grip of its leg. When they returned to the village they were showered with questions regarding the elephant's form. The man who got hold of the ear said that: *'The elephant is a big, rugged thing, flat and wide like a carpet'*. He who had touched its trunk did not agree. *'No, I have the truth about the elephant's shape – it is like a long, hollow pipe, frightening and devastating'*. The third man disagreed with both of them. *'No, he said, the elephant is big and round and steadfast like a pillar'*.[1]

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[1]Source: Bang, 1999:17.
The truly favorite metaphore of organizational theorists is that of The Elephant – that is, at least, when researchers describe their study object. The story of blind men describing the elephant has been told and retold in infinitum (Czarniawska-Joerges, 1992).

1 Introduction

The focus of this paper is the first critical meeting between people in a post-merger integration in a joint venture between two high technology companies in the same industry. Integrating companies has proven to be a challenging task, and much effort has been put into trying to understand why. The dominating explanation for the conflict situations that often occur between people when companies merge is 'culture clash'. We discuss alternative approaches to the problems that arise in the integration process, and discuss the implications these have on how to deal with the issues. This report is a case study and we only focus on one of the companies in the joint venture. This is mainly due to access, however we feel that this is sufficient to get an understanding of how people react in a merger situation. As we are students in International Management it has been natural for us to take a management perspective in our research. We have chosen to focus on human integration, as we were eager to find out if managing the integration process in a conscious way could reduce the failure rate in mergers and acquisitions. Our ambition is not so much to find 'the truth' and present solutions to 'problems'. Rather, we hope that we can contribute to a better understanding of the issues that may arise in the communicative and psychological processes that take place when people from two companies are put together in a new company, with the hope of fulfilling the owners' vision of synergy potential.

1.1 Background

According to Haspeslagh & Jemison (1991) mergers and acquisitions have a unique potential to transform firms and to contribute to corporate renewal[2]. They can help a firm renew its market positions at a speed not achievable through internal development and they can provide an ability to gain all the benefits from combining assets and sharing capabilities in a way that is not possible through, for instance, partnerships. On a more profound level, mergers and acquisitions can bring into a company the capabilities that the organization finds hard to develop internally, or they can provide the opportunity to leverage existing capabilities into much more significant positions. In other words, the main purpose of mergers and acquisitions is to achieve synergy effects.

There are many challenges in managing mergers, such as ensuring that the merger supports the firm's overall corporate renewal strategy. There is also the challenge of developing a pre-merger decision making process that will allow for consideration of the "right object" and the development of a meaningful justification, given limited information and the need for speed and secrecy. A particular challenge is managing the post-merger integration process in order to create the value hoped for when the merger was conceived. Related to this is fostering both merger-specific and broader organizational learning from the exposure to the merger. The above are just a few of the broad variety and range of issues involved in strategic mergers. The focus of this paper is the human side of the joint venture integration process, more specifically what happens in the first critical encounter of the people in the merging firms – the post-merger integration process.

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[2] Haspeslagh & Jemison (1991) focus on acquisitions in their book. We apply their theories on mergers with the motivation that the issues and challenges involved in acquisitions are very similar to those in mergers.

1.2 Problem Analysis

"The road from synergy potential to synergy realization goes via integration, and this has proven to be an especially difficult road to travel". (Kleppestø, 1993:19)

According to Haspeslagh & Jemison (1991), the integration process is the key to making mergers and acquisitions work. Expected synergies have to be realized during the integration phase and value is not created until the capabilities are transferred and people from both organizations collaborate to create the expected benefits and explore other opportunities.

Integrating the human resources in the merging companies has proven to be a challenging task, and human factors are increasingly being held responsible for merger and acquisition failure (Cooper & Cartwright, 1996). In almost all mergers and acquisitions you hear about different corporate cultures and the risk of 'culture clash'. Culture clash is the most frequently used explanation for conflicts in the integration process and means that difficulties are explained by differences in the two companies' cultures (Kleppestø, 1993).

During our work with this thesis we have come across different approaches to the concept of organizational culture, and these give different explanations to the reasons behind the problems that are so commonly referred to as 'culture clash'. In a large and growing body of theory and research on organizational culture[3], scholars have attempted to define, refine, and apply a cultural perspective to the description and analysis of organizational phenomena

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[3] In management and organizational studies, the terms 'corporate culture' and 'organizational culture' are sometimes used interchangeably and sometimes have different meanings. Sometimes researchers view 'corporate culture' as the ideals and values that are put forward and encouraged by top management, and 'organizational culture' refers to 'reality' and is a more descriptive focus on the cultural patterns in the organization (Alvesson, 2001). We use these terms interchangeably but with somewhat different connotations.

(Kunda, 1992). The terms 'culture' and 'organizational culture' are used with great variation and there is much disagreement to whether 'culture' refers to real, objective phenomena in the physical reality or if it instead is a framework that helps us to think about different social aspects of the social reality.

The main focus in current research has been on the transferal of cultural traits and capabilities from one company to another. Several writers have been especially interested in the concept of acculturation, generally defined as *"changes induced in (two cultural) systems as a result of the diffusion of cultural elements in both directions"* (Berry, 1980:2). Berry is the main writer on acculturation and he has inspired a number of researchers[4] to apply the concept to mergers and acquisitions. He has concluded, *"…common experience shows that groups do not lightly give up valued features of their culture. Thus, conflict, at some point during contact, has been the general rule."* (Berry, 1980:11). Berry, who is mainly interested in acculturation as in psychological adaptation among individuals, suggests that the individual's acculturation is determined by three conditions – the individual's loyalty to the original culture, the individual's attitude towards the other culture and the individual's freedom to choose cultural identity. The individual's and the group's acculturation can be broken down into three phases – contact, conflict and adaptation. Conflict is an inevitable consequence when the actors and the group do not want to give up their cultural identity. Adaptation refers to diminution of conflict. Conflicts must be solved either in that the individual or the group withdraws or by their more or less voluntary adaptation.

The main part of the research in the field of acculturation and culture clash is based on a traditional *functionalistic paradigm* (Kleppestø, 1993). Very simplified this approach assumes that organizational cultures are stable,

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[4] See for instance Sales & Mirvis (1984), Nahavandi & Malekzadeh (1988) and Buono & Bowditch (1989).

harmonious, internally consistent and closely connected systems of norms, values and assumptions that guides organizational members in their actions. It is assumed that there is an organization wide consensus and consistency and internal conflicts concerning norms and assumptions of the world are rare exceptions. When they occur they are due to misunderstanding or other imperfections. Inconsistencies are seen as problems and sources for conflict. Culture is seen as a determinant of individual's behavior, which means that if you can identify and 'map' the norms and the values in the organization you can also predict behavior. The culture influences people's behavior and explains why people from different cultures find it difficult to cooperate and integrate.

From this perspective, it is natural to focus on pre merger differences in corporate culture, and to conclude that the larger the differences the greater the cultural clash. The recommendation that directly and indirectly can be derived from this research is that you should avoid merging with a company with a culture that is very different compared to your own. Therefore, an obvious conclusion would be to restrict M&A to companies with reasonably similar cultures.

The functionalistic paradigm has been very criticized. Meek (1988) for instance raises critique against functionalism for its exaggerated belief in harmony, balance and function and because it insists that all social order is created through the individual's internalization of values and norms. Many other critiques, for instance Burrell and Morgan (1979), Putnam (1983) and Smircich (1983) object to the way the functionalistic paradigm treat social facts as if they were concrete. Kleppestø (1993) criticizes the tendency of many researchers to separate between collective and individual phenomena, especially in the contributions where culture clash is in the focus. By keeping the analysis on a

collective level the individuals appear to be victims of circumstances outside of their control and seem to react mechanically and predetermined to events in their environment. Other writers, for instance Martin and Meyerson (1988) and Sköldberg (1990) emphasize that the cultural patterns in organizations are ambiguous, vague and inconsistent, and rather than accentuating systems and rigid boundaries, they emphasize variation, overlaps and paradoxes. According to Alvesson and Björkman (1992), the idea that unique and homogenous cultures exist on an organizational level is ill founded. In most organizations there are generally considerable internal differences concerning values, conceptions and symbols. Natural social categories and divisions, departments and hierarchical levels also contribute to cultural differentiation within an organization[5]. In organizations there are often subcultures, and as people normally belong to several groups, for instance a profession, department and gender, it can be very difficult to divide an organization into clearly defined subcultures.

In the last 10 to 15 years, organizational research has shown that organizations cannot always be seen as perfectly rational and logical systems (Bang, 1999). Organizations are made up of individuals with feelings, attitudes, different goals and limited rationality. One of the reasons why the concept of organizational culture emerged is the insight that organizations are *symbolic environments that can be seen as a socially constructed reality or a shared system of meanings*.

Symbolism represents an attempt to move away from the functionalistic paradigm. According to Schultz (1990) symbolism means *perceiving organizations as human systems where actions do not occur from a cause-effect relationship, but from social conceptions about the meaning of different*

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[5] For a review see for instance Alvesson (1993) or Van Maanen and Barley (1985).

actions. The organizational reality becomes a symbolic construction where the physical world is transformed to a symbolic universe, where the members themselves take part in the creation of the 'culture' or *system of symbols* that define the boundaries of the collective. They are not passive and do not follow the organization's norms and values in a slavish and uncomplicated way.

With a symbolic perspective the *processes* are emphasized, instead of the structures as in the functionalistic paradigm. Several researchers, for instance Putnam (1983), Smircich (1983) and Geertz (1973) suggest that the concept of culture is more useful if you see that the shift from a machine and organism metaphor to the culture metaphor implies a shift in focus from organization to *organizing* (Smircich, 1983; Morgan, 1986). The emphasis then becomes that organizations are constantly created and recreated through the individuals' symbolic interaction, or *communication*. According to Alvesson (2001), culture is not the inside of people's minds, but somewhere between the minds of a group of people where meanings and symbols are expressed in the interaction in the organization. Culture then becomes central as it concerns understanding behavior, social phenomena, institutions and processes. The culture becomes the frame within which these phenomena become understandable and meaningful.

If culture cannot be seen as structure, the idea of culture clash must be reconsidered. The meeting between two organizations is not a case of two precisely defined, closely connected, strictly rational bodies or organisms that should adjust to each other according to some kind of logic. It is rather a matter of a process where individuals and groups of individuals, coming from different interests and positions, become involved in a continuous communication about how the things that have happened, happens and may happen, should be interpreted or understood (Kleppestø, 1993:91). Thus, very

simplified the symbolic approach means that cultures as well as organizations are viewed as:

> ➢ ***Process*** rather than structure
> ➢ ***Multiplicity*** rather than uniformity
> ➢ ***Negotiable*** rather than given
> ➢ ***Polyphonic*** rather than unanimous
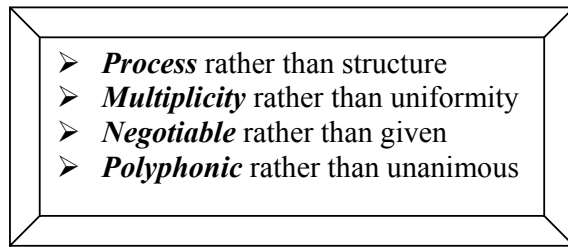
Figure 1.1   *A symbolic view on culture.* (Source: Kleppestø, 1993:91)

There is a relationship between process and structure. Clifford Geertz (1973:145) expresses it as follows:

"On the one level there is the framework of beliefs, expressive symbols, and values in terms of which individuals define their world, express their feelings, and make their judgment; on the other level there is the ongoing process of interactive behavior, whose persistent form we call social structure. Culture is the fabric of meaning in terms of which human beings interpret their experience and guide their action; social structure is the form that action takes, the actually existing network of social relations. Culture and social structure are then different abstractions from the same phenomena. The one considers social action in respect to meaning for those who carry it out, the other considers it in terms of its contribution to the functioning of some social system."

1.1 Problem Statement

This thesis aims to explore how employees experience their first meeting in the post-merger integration of human resources in a joint venture of two knowledge intensive companies.

1.2 Purpose

The first purpose of this thesis is to contribute to the understanding of individuals' reactions, feelings and attitudes in the first six weeks of post-merger integration. Our second intention is to shed light upon critical factors in this phase, more specifically to identify obstacles and enablers in order to make visible the problems and opportunities that may arise. The last purpose is to suggest how management can relate to these obstacles and benefit from the enablers to facilitate human resource integration.

1.3 Delimitations

We have limited our case study to investigate one of the companies in the joint venture. The purpose of this thesis is to illustrate how people may react in the first critical phase of joint venture integration. For this purpose we find it sufficient to focus on one of the partners. We focus on one site. The joint venture has operations in six major sites and several minor offices on a global scale. See methodology for further information.

1.4 Disposition of the Thesis

The thesis problem is viewed from a theoretical and an empirical perspective. We believe that this approach is important in order to get a deeper understanding of the issues related to the problem area.

Chapter One in this thesis gives a brief introduction and background to the research field of integration in mergers and acquisitions and introduces to the reader the culture approach that we have chosen. Further, this chapter presents the purpose that we aim to fulfil.

In Chapter Two we describe the research process and methodology that we have employed to fulfil the thesis purpose.

In the theoretical framework in Chapter Three we present issues that are essential for understanding the conflicts that may arise in post-merger integration. These are related to the cultural approach to organizational culture that we have chosen for this thesis – symbolism.

Chapter Four introduces our Case Company.

In Chapter Five we analyze the empirical findings from the interviews in our case study and connect these to the theory with the purpose to illuminate the issues that people face and their reactions.

In the conclusion in Chapter Six we discuss the findings and draw conclusion based on the theoretical framework. We identify critical obstacles and enablers and discuss how different parts of the organization have handled their part of

the integration. We also discuss how management can relate to and deal with the issues that arise in the initial integration phase.

Appendix I we present the culture metaphor in more detail, and we provide a brief explanation to abstraction levels. In Appendix II we present the questionnaire and the two interview guides that we have used to collect the empirical data.

2 Methodology

Our work with this thesis is divided into two parts, a pilot study and a main study. To explain the background to this approach we begin by describing the research process.

2.1 The Research Process

> *"From something that initially appeared as a confusing landscape with many details, eventually a gestalt emerged, vague and shivering at first, then more and more distinct."*   (Kleppestø, 1993)

This quote describes how we have perceived our research process during the work with the thesis. We started our thesis work with a very limited understanding of what organizational culture really is. After completing the first part of our study, *the Pilot Study*, we consulted some of the academics in organizational studies at our university on how we should utilize the material we had collected. We soon realized that we had based our study on a theoretical framework that provided a very simplified approach to the issue of organizational culture. Like the blind men in the story of the elephant, we thought that we had found the truth about organizational culture. After discussions with the academics we had to reevaluate the validity and reliability of our first study. We became aware that it did not live up to academic standards and we began to search other sources to obtain a deeper understanding of organizational culture. We needed a more relevant theoretical framework for our continued work, *the Main Study.*

The focus of this paper has changed several times as our understanding of organizational culture has progressed. With new knowledge and a deepened understanding in different stages of the thesis process, a focus that at first seemed relevant suddenly appeared irrelevant or even faulty and we felt a need to alter focus. After a long journey, our thesis found its final focus not long after the joint venture started its operations and began the movement of human resources, following approval from the European Commission and other regulatory authorities. We received indications of conflicts in the New Company at the site we intended to focus on in the main study.

2.2 Choice of Case Company

We have followed one company during a six-month period. The reason why we have made a focused study of just one company is opportunity. We had a unique opportunity to study the immediate post-merger period in this company and we were not able to access other companies in a similar situation. We have spent much time and effort following the Case Company and we claim that what we may be missing in terms of the number of objects to study, we have made up for in terms of depth of the study.

1.5 Pilot Study

We first met with our case company in late spring. At that time the whole organization was preoccupied with preparations for the 50/50 joint venture that had just been announced in the media, and we had to be quite persistent to convince the company that we could somehow contribute in this process. Eventually, we had the opportunity to meet with a representative in Stockholm who was in charge of the integration activities in preparation for the establishment of the new company. In the first meeting we had an informal

conversation where he described the situation and we suggested how we could contribute as students in international management. Nothing was decided at this meeting, but it was agreed that we should present a proposition for him to consider. As it turned out, our proposition was approved and we got a new contact person, the manager of a culture integration team with representatives from both companies, whom we met a few weeks later. Further discussions led to the start of what would become the Pilot Study.

In preparation for the integration on employee level in the joint venture, top management had decided to take measures to avoid serious culture clashes and make the integration process smoother. As part of this, before the integration of the people in the two companies began, the culture integration team wanted to 'map' the two companies' corporate cultures. The purpose was to identify significant differences or similarities in order to prevent problems and also to help people from the two companies to obtain a better understanding of each other. Our task, and thus the purpose of the Pilot Study, was to map the corporate cultures of the two companies who would enter the joint venture. The culture integration team, whom we assisted, wanted to map the cultures through a questionnaire survey (quantitative approach) and a number of interviews (qualitative approach).

In this process, our task was to suggest and put together questions for the surveys and interviews based on culture theory. We did this in association with the culture integration team, who made the ultimate selection of criteria and questions to be covered in the survey and interviews. Their choices were based on previous research and on aspects they considered important and interesting to investigate.

After the survey and interview questionnaires were completed, we carried out the interviews and collected the input from the questionnaire survey from eight large sites in different parts of the world plus one labeled 'other', which covered a number of small sites. Six of the large sites plus 'other' belonged to the Big Company and two of the large sites belonged to the Small Company. The survey questionnaires were put on the Intranet at all the sites and all employees were encouraged by management to fill them out. We also made altogether 24 in-depth interviews, thirteen personally and eleven over the telephone. After collecting the primary data we analyzed the results and presented these to the culture integration team. The findings were later used as input in culture awareness seminars in the integration process.

Our pilot study is a good representation of a functionalistic view of organizational culture. With a deeper understanding of culture we had to reevaluate the reliability of this research approach and the validity of the collected material. It is often asserted that it is desirable and possible to identify the norm structures in two companies that are about to merge in order to predict the 'problems', that may occur in the integration process (Kleppestø, 1993). However, 'mapping' the partners' corporate cultures to avoid 'culture clash' is only relevant if cultures are seen as stable structures of harmonious norms and values 'stored' in institutions. Such a view of culture is, we have suggested, hard to defend if you take a closer look at what the concept of culture really involves. Attempts to map cultures become nothing less than a snapshot of some peoples understanding at a specific point in time, and the questions in the survey will be interpreted subjectively by the people who answer them.

Nevertheless, we found that there was great value in the pilot study for other reasons. Regarding the questionnaire survey, we could see that it filled the purpose of making people think about cultural issues. It also made them more

aware of their own cultural traits. The interviews provided insights into how people perceived their situation prior to the merger. They also allowed us to personally meet the people that we would later interview a second time in our main study. The study also helped us to select the most appropriate focus and methodology for our Main Study. Furthermore, the Pilot Study gave us valuable insights into which site we should focus on. We do not present all the results from the pilot study, only those that we consider relevant for the Main Study.

1.6 Main Study

After completing the Pilot Study we changed our research approach. We decided that a focused case study would be the most appropriate method for us to use to achieve the purpose of the thesis. According to Yin (1994:1), *"case studies are the preferred strategy when how and why questions are being posed, when the investigator has little control over events and when the focus is on contemporary phenomenon with some real life context"*.

According to Alvesson and Björkman, (1992), the benefit of a case study is that it can generate interpretations and analyses that are of interest far beyond the specific case. The case study is a means to be able to say something that is interesting from a theoretical point of view. To study an individual company is only really interesting if one is able to identify some themes that are relevant in broad terms and thus is of general interest. Corporations are more or less unique but at the same time they struggle with problems that they share with other organizations. To make a case study interesting and relevant, one needs to be able to balance between making a penetrating and deep description that gives a good understanding for the individual case, and at the same time deal with important themes and dimensions with a more general relevance. We

believe our case study will help us to better understand how people on different levels in the organization reacts in a merger situation, and that a study of this kind can provide insights that can be helpful to management in other mergers.

Following the insights that we gained from the Pilot Study, we decided to focus our Main Study on one of the sites at the Big Company. We call the selected site The Site, and we have chosen this site based on the following criteria:

➢ The Site is the origin of the former Big Company, this is where it all started.
➢ The interviewees at The Site have been especially open and frank in the previous interviews and shown a genuine interest to participate.
➢ At The Site, we had the highest response rate in the questionnaire survey of all surveyed sites.
➢ We believe that The Site is a good representative for the Big Company's sites, as we have seen in the surveys and interviews that the differences between the sites are relatively small.
➢ At The Site, employees from the former Big Company and former Small Company will be working side by side in the joint venture.

1.7 Data Collection

According to Yin (1994), data collection for case studies rely on many sources of evidence, such as interviews, observations, documentation, archival records and physical artifacts. Yin claims, that in order to benefit from the advantages of case studies, the researcher should employ multiple sources of evidence. We have used three main sources in our study, interviews, observations and documentation. Observations have mainly been used to complement the collected empirical data. We have visited the investigated site twice and spent two consecutive days at the site each time.

1.8 Primary and Secondary Data

As we wanted to collect much information from one case company we decided that a qualitative approach would be appropriate. We developed a structured interview guide with open questions inspired by the theoretical framework (see Appendix III). The purpose of the questionnaire was to encourage the interviewees to speak openly about how they experience the post-merger integration phase. The questionnaire guide was designed to encourage the interviewees to talk about specific issues, which we would later analyze using the theory. At the same time we wanted to interfere as little as possible with their answers. We interviewed most of the interviewees twice and we communicated with them on the telephone and by e-mail to establish a feeling of familiarity. According to Yin (1994), tape-recorded interviews provide more accurate interpretation of interviews than any other method. We recorded all interviews so that we would not miss any important data, and also to be able to use quotes in our analysis. We conducted the interviews together in order to be able to discuss them and share observations in order to try to understand the individuals' situation and make as fair judgements as possible. In the Pilot Study, we interviewed eight people at middle management level. In the case study, we returned to The Site a second time and interviewed six of these people who had now joined the joint venture, and three other persons, altogether nine people at different levels. In total we interviewed three senior managers, five middle managers on different levels and one secretary.

The secondary data has mainly been collected through various published sources, books, journal articles, documented company material and newspapers.

3 Theoretical Framework

In this chapter we present the theoretical framework that defines the boundaries of our study and which we use in the analysis of the empirical findings. We begin by expanding on the approach to organizational culture that we have chosen, symbolism.

3.1 THE IMPORTANCE OF ORGANIZATIONAL CULTURE

One of the prerequisites for organized activities is that individuals relate to the internal life of the organization and to the external environment in a *similar* way (Weick, 1979). They therefore need a set of shared guidelines in the form of language and other points of reference. Coordinated actions require shared meanings and conceptions (Alvesson, 2001). Smircich (1983) refers to organizations as systems of meaning that is embraced by the members to a higher or lower extent.

Thus, life within an organization requires a certain degree of discipline from its members (Alvesson, 2001). Within organizations there generally exists a system of formal rules, policies, hierarchies, and control systems that guide the members' actions, but regardless of how well these function, there remains an uncontrollable 'space' where the individuals must find ways to orient themselves (Alvesson and Björkman, 1992). Rules and regulations cannot control behavior in detail, and therefore formal structures must be given meanings that are shared as much as possible among the members. In a multitude of job prescriptions, activities, processes, people and relationships, a shared 'culture' or *tool to interpret reality*, is important to avoid fragmentation.

'Culture' is thereby a central component in collective actions Weick (1987:98) explains why:

> *"The importance of presumptions, expectations, justifications and commitment is that they span the breaks in a loosely coupled system and encourage confident actions that tighten systems and create order. The conditions for order in organizations exist as much in the mind as they do in the rationalized procedures. That is why culture, which affects the mind through meaning, is often more important than structure."*

Systems of culture must have a certain degree of stability and internal consistency, otherwise we would not recognize them as systems, but at the same time the collective continuously reinterpret and renegotiate the interpretations of the actions and events that occur in the organization and its environment (Geertz, 1973). Social constructionism describes institutions as a taken for granted reality that is continuously created and recreated and maintained in the interaction between people (Berger & Luckmann, 1967). The stable character of organizational reality is there because the social definitions to a large extent are collectively anchored and institutionalized. This reality creates stability, saves energy and reduces the insecurity that would otherwise arise as a result of the multitude of alternative interpretations and choices that we otherwise would have to consider in all situations we encounter in our daily lives (Tullberg, 2000).

3.2 SYMBOLS

"Talking about organizational culture seems to be the same as talking about how important symbols are to people – rituals, myths, stories and legends – and about how they should interpret the episodes, ideas and experiences that are influenced and formed by the groups they are members of."

(Frost et al., 1985:17)

In the problem analysis we introduced the culture approach that we base this thesis on, *symbolism*. Symbolism views the organization as an ongoing process where individuals and groups of individuals interpret and reinterpret all the symbols that constitute their shared reality. They take part in continuous negotiation about how these symbols should be interpreted and thus they together create the 'culture' or system of symbols that define the boundaries of their organization. The physical world becomes a symbolic universe and the organization is constantly created and recreated through the individuals' symbolic interaction, or communication. Culture, thus, is somewhere between the minds of a group of people where meanings and symbols are expressed in the interaction in the organization.

Symbols become the building blocks on which people form their conceptions about reality. Müllern (1994) defines conceptions as the *allocations of meaning* which characterize our relationship to our environment, including the organization. Müllern assumes that organizing must be understood based on the actors' conceptions. He claims that conceptions cannot be understood separated from their concrete context, but are expressed symbolically, linguistically and in concrete action and thereby contribute to the ongoing process of organizing.

Cohen (1974) defines symbols as *objects* (physical things), *acts* (actions and activities), *concepts* (ideas) or *linguistic formations* (spoken or written words and sentences), that stand ambiguously for a multiplicity of meanings, evoke emotions and impel men to action. Thus, symbols can be either abstract or concrete. A symbol is loaded with content as it concentrates a complex set of meanings to a particular object and thereby communicates meaning very efficiently. Sometimes a symbol's complexity makes it necessary to interpret and decipher it. Individuals have personal symbols with sentimental value, but in an organizational context it is the collective use of symbols that becomes interesting. According to Czarniawska-Joerges (1993), symbols are ambiguous – open to many interpretations, and flexible – dynamically preserving the precarious equilibrium of social reality. They tend to be integrated into systems of meaning, or meaningful wholes and at the same time they are powerful carriers of change.

Symbols and rituals are found in both psycho dynamic and constructivistic theory. Ericsson (1968) and Winnicott (1971) saw symbols and rituals as important for the self, for the feeling of control and continuity. Czarniawska-Joerges (1993) claims that symbols are fundamental mechanisms for the individual in the development of selfhood and for tackling the perennial problems of human existence, like life and death, good and evil, misery and happiness, failure and misfortune.

Symbols are at the same time subjective and objective. Cohen (1974) has reconciled the idea of objectively existing social structures with Berger and Luckmann's (1967) idea of the social construction of reality. Symbols are created and interpreted by individuals, but once they have become accepted by a group they also become objective in the sense that they confront the members as things that exist independently and will influence their action. Very often the

symbols become public and acquire the character of collective representation of a group. Collective interpretations in turn influence the formation of individual interpretations. An understanding of this spiral like relationship is necessary in order to understand the role and meaning of symbols in organizations.

Czarniawska-Joerges (1993) claims that even though symbols can be said to exist in their own right, and be observed for their own intrinsic value, they are always manipulated, consciously or unconsciously in the struggle for and maintenance of power between individuals and groups. Power is taken to be an aspect in almost all social relationships and therefore it is also important to consider politics in organizations. Ashforth (1985) suggests that if properly handled, symbols can positively influence the way people view their organizations. However, Wilkins (1984) says that just because widely known symbol stories and actions reflect important commitments and beliefs of managers and employees, it does not necessarily mean that they will help the company cause.

3.3 COMMUNICATION

One of the aims of communication is to reduce uncertainty and ambiguity (Bowditch & Buono, 2001). As mentioned above, some of the most meaningful forms of communication occur on an implicit level through different symbolic modes of expression, rituals, customs, ceremonies, stories, metaphors, logos, and other. According to Pondy et al (1983), it is important for managers to understand how the symbolic an expressive aspects of their actions, decisions or policies as these send messages to organizational members about the values and orientations of the firm.

According to Watzlawick (et al, 1967), it is impossible to *not* communicate. Words or silence, activity or inactivity all have *message value*. All communication is action and all actions are communication. There is no such thing as non-behavior or one cannot not behave. This means that the absence of talking or of taking notice also communicates a message. This collected communication that people pick up – words, acts, contexts, behavior – unavoidably carries signals about the situation, about who people are, their relationship with each other and thus about their identities. Those who are involved in the merger situation will make attempts to interpret *all* communication – everything that is said and done and everything that is not said or done (Kleppestø, 1993). It is through this wide sense of communication that we form our understanding of the situation and maintain our self-image and the image of others.

3.3.1 Information

An integration process is characterized by expectations, questions and reservations and there are also intricacy, incomplete information and unexpected problems and opportunities (Haspeslagh & Jemison, 1991). It must therefore, they claim, be viewed as a highly dynamic process of adjustment. The preparation of an integration plan involves an inordinate amount of communication and employees and outside stakeholders of both organizations must be convinced about its logic and timing. This typically occurs in an environment of suspicion confusion and rampant rumors, and most of these have little basis in fact. An essential task of management is therefore to communicate honestly, clearly and frequently. They need to praise and promote progress achieved and continuously remind the participants of the level of urgency of the things that need to be accomplished.

Kilmann and Covin (1988) state that by articulating the desired future state of the organization as clearly, concisely and vividly as possible, managers can create a sense of direction and a guiding philosophy for the organization. Such visions provide direction, express the values that are seen as important and energize the members to accomplish a common purpose. Ideally, the vision for an organization helps generate a desire for change by making a potential future more attractive than the realities of the present. This, they suggest, is most effectively accomplished through the use of multiple media, such as giving speeches that present the vision, distributing printed copies and holding meetings to talk about the vision and discussing it at training events or seminars. However, Kilman and Covin mean that it is risky for managers to be overly excited and energized by the vision to the point where they overlook the reactions and fears of others. People often have questions and concerns about the true meaning of the values expressed by a vision.

3.3.2 Rumors

The information and communication needs that organizational members have are usually not fulfilled by the formal network to which they belong. As a result, informal or unofficial communication patterns emerge around existing patterns of social interaction and social relationships to satisfy these needs. In virtually all organizations, rumors about what is happening or going to happen, what the 'real' reason behind certain decision are, and other unofficial bits of information flourish in the organization's *grapevine* (Davis, 1953). The grapevine refers to the informal network in an organization and is the primary way in which both rumors and factual information are transmitted to individuals. In many instances organizational members know what decisions are going to be made before the information is formally announced. These informal communication patterns cannot be eliminated. Instead, the implication

for managers is to understand the grapevines that exist in their organization, and why rumors emerge and flow through them.

Rumors are messages based on speculation, imagination or certain wishes and do not have any basis in fact. They are usually constructed through limited or distorted information, but as they flow through an organization, can be perceived as real and true by organizational members. Such rumors usually emerge as a reaction to situations where ambiguity and anxiety about something that is important to the people involved (Rosnov & Fine, 1976). If accurate information is not provided about these situations, rumors are created to 'answer' the unanswered questions. In many instances, these rumors can have such disrupting influence on work and work processes that organizations have to formally issue memos and statements that attempt to counteract any accuracies.

As part of the process of managing the anticipatory grapevine, it is important for managers to identify the different types of rumor as well as their content. Since rumors and the grapevine are part of an organizational communication network, managers have to make efforts to avoid secrecy, minimize ambiguity and resultant anxiety that lead to rumors. They should anticipate that rumors will emerge, especially in change situations, and be ready to deal with, and use, the grapevine to pass factual information, even if incomplete to the members of the organization.

3.4 SHARED UNDERSTANDING

The ultimate goal when two companies merge is achieving synergy effects. The integration is an interactive and gradual process in which individuals from two organizations learn to work together and cooperate in the transfer of strategic capabilities (Haspeslagh & Jemison, 1991).

According to Haspeslagh & Jemison (1991), in the integration of two companies, managers often underestimate how differences in perception on substantive issues are due to poorly understood differences in the wider context of both organizations. They suggest that an important element of setting the stage for integration is spending time educating managers about each other's organizational and cultural context. Research suggests that actions taken to improve this reciprocal understanding tend to influence both the comfort level and the effectiveness.

In an organization the employees need a collective capacity or shared cognitive structure to facilitate collaboration, to achieve team learning and in order to produce aligned action (Nahapiet & Ghostal, 1998). Shared cognitive structures are also referred to as shared mental models (Senge, 1990) or shared understanding (Sandberg & Targama, 1998). In this report we also refer to them as shared conceptions about reality or frame of reference. According to Senge (1990) mental models are deep-rooted assumptions that influence how we understand or interpret the world, and how we take action. Isaac (1993) argues that the building of shared understandings becomes even more important today given that organizations face a degree of complexity that requires intelligence beyond that of any individual. Transfer of capabilities, or team learning, is enhanced when individuals understand the nature of the various interpretations of other individuals (Huber, 1991).

When people from two organizations are put together in a new context, there are many occasions when they do not have a common base of experience (Sahlin-Andersson, 1989). This means that they do not have shared or common conceptions, or 'stored collective memories' for how they should act (Wikström, 2000).

A shared understanding is important for team-members in carrying out collective activities in an aligned manner (Cook & Yannow, 1993). A successful team has acquired the know-how associated with its ability to work towards a common goal, for instance a soccer player cannot carry out the team's task by himself. Alignment is created when a group functions as a whole. However, in some organizations the energies of individual employees work at cross-purposes and therefore waste energy. Individuals may work extraordinarily hard, but their efforts do not efficiently pull in the same direction as the goal of the company and do not translate into team effort, see the left arrow in Figure 3.1 below (Senge, 1990).
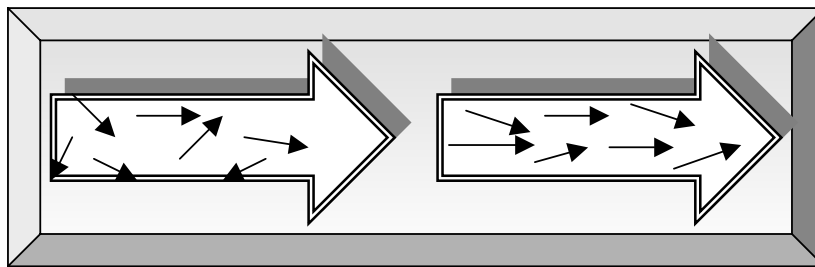
Figure 3.1   *Unaligned and aligned teams*. (Source: Senge, 1990)

As seen in the big arrow to the right, when a team becomes more aligned, that is have fairly similar conceptions, a more consistent direction emerges, and individuals' different energies pull towards the same goal. There is thus less energy wasted. Alignment does not imply that individuals are forced into line,

rather it is a way of harmonizing their different energies. This amplifies the effect as each employee contributes energy in the same direction instead of being counter-productive.

In developing a shared understanding individuals must be prepared to discuss and negotiate their individual views in order to challenge their mental models. Members increase their understanding of each other through interaction, which affect the way they perceive their own world. There are hence two processes working in concert: individuals share the mental models of others, but also reflect over and analyze their own (Nonaka & Konno, 1998).

3.4.1 Knowledge Transfer

When we focus on the social interaction between individuals we are confronted with what Collins (1997) refers to as *encultured knowledge*, the process of achieving shared structures of meaning or understanding. Nonaka and Takeuchi (1995) discussed the way in which individuals within a community through socialization share tacit knowledge, thereby giving rise to shared understandings. In Nonaka and Takeuchi's (1995:61) model tacit and explicit knowledge interact with and interchange into each other in the creative activities of human beings. Explicit or codified knowledge is hard, systemic knowledge, which can for instance be found in databases on the computer, in written documents or in memos. Explicit knowledge is easily transmittable in formal, systematic language. Tacit knowledge is highly personal, context-specific, and therefore hard to formalize and communicate. And above all it is highly dependent on the experiences of the individual. The interaction and interchanging between explicit and tacit knowledge occurs in the four dynamic processes of socialization, externalization, combination and internalization, which eventually form a continuous knowledge spiral.

3.4.2 Creating Conditions for Shared Understanding

Employees have to be able to meet each other both formally and informally as well as cross-functionally in the company. The meetings function as knowledge generators and a way of increasing the understanding for both the organizational objectives and for the individuals as persons. During these meetings people pay attention to how they are learning and thinking together, which also improves the ability to communicate and overcome functional language barriers (Allee, 1997). Whatne, Roos & Krogh (1996) acknowledge four determining factors that influence the transfer of knowledge between individuals. These are openness, channel of interaction trust and prior experience. All of these determining factors have to exist in order for knowledge transfer to be efficient, and it becomes management's task to facilitate the above factors and remove any form of resistance and friction.

In order to stimulate interaction between the employees the company could, besides the formal meeting, create locations where people can meet. Certain rooms such as talk rooms, where people meet regularly during the week to discuss issues concerning their work is one way. Another example is conducting different social activities where people meet spontaneously and share experience and generate new ideas. Geographical closeness between employees is important and also taken into consideration by many companies. The closeness makes it easier to ask spontaneous questions that might turn up during the work and also foster a stronger team spirit. There are other ways that organizations can foster a team spirit and encourage knowledge sharing, this being through activities outside work, such as Christmas parties or corporate picnics (Davenport & Prusak, 1998).

3.4.2.1 Dialogue

One problem that may arise when people have different conceptions are obstacles in the communication in the operations (Wikström, 2000). In the organizing, differences can become like a wall – the people involved do not understand each other.

Isaacs (1993) says that most forms of communication in organizations unfortunately, especially concerning difficult, complex and important issues turn into a debate, which implies to 'beat down'. The problem is that in a debate, one side wins while the other side loses, and all actors maintain their existing conceptions. Instead, Isaacs (1993, 1999) proposes dialogue as a means of avoiding polarization and creating platforms where people, through communication, can reach understanding for each other's conceptions. In order to overcome hinders in communication it is important that the actors explore their different conceptions, which means that they describe their way of working and the assumptions behind these. Dialogue means to listen to the possibilities suggested by others based on their conceptions instead of defending ones own standpoints. It is a process where people create meaning together.

Buber (1990) suggests that the dialogue is fundamental for understanding consent to and/or change of existing conceptions. The purpose of the dialogue is that the participants shall question and have the possibility to surpass institutionalized and formalized conceptions. According to Schein (1993), dialogue offers a way of building a basis for mutual understanding and trust by uncovering the basic cognitive processes that underlie individual and group assumptions. In other words, the purpose of dialogue is to create openings or

platforms where people with different conceptions can create a shared understanding.

According to D'Andrea-O'Brien & Buono (1996) open communication and creating shared conceptions among employees will be one of the most critical skills for organizations. Through dialogue, groups can develop a new-shared understanding. In this process, face-to-face meetings are essential for forming the precise mental image of others that facilitates shared conceptions (Nohria & Eccles, 1992). The suspension of assumptions and profound listening skills are of great importance in the dialogue. Another important aspect is the translation of highly personal or professional knowledge into explicit forms that are easy to understand. Nonaka & Konno (1998) suggest that through dialogue, individual's mental models and skills can be converted into common terms and concepts.

Senge (1990) suggests that a third party might be helpful in order to establish shared understanding and continuously conduct a dialogue,. The responsibility of the facilitator is to keep the dialogue moving. Senge claims that when a skilled facilitator is absent, a team's habit of thought continually pull the members towards discussion and away from dialogue. This is especially true in the early stages of developing dialogue within a team.

3.4.3 Hinders in the Sharing of Understandings

Why do we have so many problems understanding each other? Schein (1993) points to the fact that we are all culturally overtrained not only to think in terms of certain consensually validated categories but also to withhold information that would in any way threaten the current "social order". From early on in life we are taught that social relations rest to a great extent upon the mutual

maintenance of face. Face can be thought of as the social value that persons attribute to themselves as they enter any interpersonal situation. Mutual face-saving thus makes normal social relations possible. But, in that very process, we operate by cultural rules that undermine valid communication and create what Chris Argyris (1990) calls *defensive routines*. To be polite and to protect everyone's face, especially our own we tend to say what we feel is most appropriate and least hurtful. It is natural to say something positive, and if a person does not have anything positive to say it is more likely that the person in question keeps quiet (Argyris & Schön 1996). Furthermore, in the face of complex, highly contradictory issues, Leonard-Barton (1995) points to the fact that teams tend to break down, revert to rigid and familiar positions, and cover up deeper views. As a result, people start to lobby abstract opinions across meeting rooms, without exploring what the opinions of others mean. Failing to raise these issues means that ineffectiveness and misunderstandings are likely to continue.

3.5 IDENTITY

We have said that symbols are important for *identity*. This concept stems from psychology and refers to the individual's feeling of unity and continuity in her life (Ericsson, 1968). Identity answers the question 'Who am I?' and prevents insecurity and confusion about one's own person and orientation in life. The identity is developed as a result of identification with different people and internalization of values and norms. Interaction with other people and the images and ideals conveyed by mass media become very important in this process.

Gregory Bateson defined social psychology as "the study of the reactions of individuals to the reactions of other individuals" (Watzlawick et al, 1967:153).

As individuals we try to understand who we are (and why) by conveying our own image of ourselves to the world. When the world around us, especially so called significant others, react to this image we receive crucial feedback that makes it possible for us to refine and adjust our self-image. By interacting, or communicating with our environment we create meaning of the things that surrounds us and our place in the world. Together with others we agree how situations should be defined and understood, how different individuals should relate to the situation (what roles they should play), what is right, and wrong and so on. We are continuously preoccupied with this, but are generally unaware of this in everyday situations. In threatening changes, however, these processes become apparent. Our need to define the situation is then great, and at the same time, the norms and rules that normally help us have been partly or completely disintegrated.

3.5.1 Social Identity

An important aspect of identity is belonging to collectives – our social identity. The part of a person's personality or self-image that derives from belonging to groups is referred to as social identity, as opposed to personal identity. An organization can be understood as an arena for a number of existing and potential belongings (Alvesson, 1992). Different belongings mean different identities and different conceptions of who you are and how you define yourself. With different identities follow, to a greater or lesser extent, different ideas and conceptions of proper and desired behaviors, about loyalty and distance and sometimes also competition. Thus, with belonging and identity follows certain implications for how to act and relate towards the environment.

Henry Tajfel's "Social Identity Theory" (Tajfel, 1978) sheds light upon how the group functions as identity providers. According to Tajfel, all humans have

the need to classify themselves and others in different social categories. The actors' need for a social identity and assigning other people a social identity is a central starting point for Tajfel. The world and our place in it is tremendously diversified. We cannot deal with this multiplicity and we therefore must organize and assemble our observations and interpretations of these in order to get a manageable overview. A person introduces himself to other people through different group designations, such as gender, age, skin color, nationality and educational background. A person understands himself as well as other people in terms of group belonging. A group's identity or the themes in the identity can vary as the group encounters other groups. A theme that is relevant in relation to one group is not necessarily relevant in relation to another. The essence of a person's social identity is contextual. Identification is a perceptual and cognitive phenomenon that is not necessarily connected to behavior and emotions. It can be enough for a person to perceive that he belongs to a group.

3.5.2 Preservation of Group Distinction

Fredrik Barth (1969) suggests that group belonging is a matter of socially relevant categorizations and identifications – he sees groups as socially constructed categories for identification. These categories and identifications must be 'negotiated' in the social context of the actors. In order to understand why the interaction between groups develops the way it does the focus must be on the processes that create the categories and identifications and thereby create and maintain the groups. These processes, to a large extent, take place in the borderland between the groups. The groups contribute to identifying the actors in our environment and thereby organize reality[6].

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[6] There are other ways to look at groups, for instance as coalitions serving a mutual interest, as socialization where we become more and more obvious members the more we share the group's norms and values. Group building can also be explained as a result of people being attracted to each other.

The most common explanations why cultures and ethnical groups maintain their distinctive characteristics is geographical and social isolation (Kleppestø, 1993). To the extent that acculturation and integration can be indicated it is assumed that this is due to increased social contact. Barth (1969) argues against this assumption. He has made empirical observations of ethnical groups and found that interaction with other cultures or groups strengthens rather than dilutes the groups' characteristics.

> *"Interaction in such a social system does not lead to its liquidation through change and acculturation; cultural differences can persist despite inter-ethnic contact and interdependence."*
>
> (Barth, 1969:10)

"Tajfels law" (Tajfel, 1978) says that when an outgroup for some reason becomes more visible, the need for *boundaries* becomes greater. If both groups have valid norms for acting in the society, there is a good chance that the relationship will develop without major problems. If not, a conflict will occur that aims to clarify three issues:

➢ Who is a member of which group?
➢ What does each of the groups represent?
➢ What status does each group claim (and is allowed to claim)?

These conflicts tend to follow a certain pattern, starting with:

a) Stereotyping of one's own and the other group
b) Increasing tendency to stay in the group
c) Increased tendency among the members to actively choose side

The intensity of the conflict and the level of *antipathy* that will arise between the groups is partly a question of how threatened the groups perceive that their identity is. In other words, the ingroup's antipathy against the outgroup increases in proportion to the *threat against the self-image* that the outgroup projects. The degree of antipathy is not necessarily the same for all groups (Turner, 1978). For instance, in a situation where one of the groups acclaims low status to the other group, so low that competition is futile, the high status group may not perceive the low status group as threatening. The low status group on the other hand may perceive the presence of the high status group as very threatening,

According to Ashforth & Mael (1989), social identity requires distinctive features, and therefore the group cannot be like other groups in the immediate environment. If it did, the group would lose its power as identity provider. An essential aspect for the group's existence therefore becomes guarding its distinctive features. On top of this is the group's desire to be valued positively and the intergroup relationship thus becomes a matter of protecting distinction and status. Herein lies an important explanation to group conflicts. Whenever groups encounter one another there is the need to accentuate boundaries, distinction and status. When different groups are well defined and legitimately anchored in a wider context this is generally not a problem. However, when new groups meet or when the relationship between groups changes significantly, the situation can become difficult.

3.6 MASLOW'S HIERARCHY OF NEEDS

The immediate post merger period is a very vulnerable time where all the people involved live under severe insecurity and pressure (Haspeslagh & Jemison, 1991). There is pressure from both inside and outside the organization, from competitors, customers, media and suppliers that might question the capabilities of the new firm. A new sense of purpose is needed to address these questions. Here it is essential to pay immediate, explicit attention to get the company operating on an even keel as soon as possible by concentrating the managers and employees' attention on the details of the daily business and gearing up to fight the 'devils outside' instead of each other. However, in times of dramatic changes, people become very focused on themselves and the individuals' needs become the center of their attention as they are trying to reduce their anxiety and search for security (Tullberg, 2000). Before you can expect people in the joint venture to focus all their attention on the daily operations and achieving success together with their new, many times unfamiliar colleagues, efforts must be made to reduce their uncertainty. Malsow's Hierarchy of Needs suggests that before people can focus on anything else, they strive to fulfil their need for safety.

Abraham Maslows' (1954) scientific works on human needs and how these needs influence individual's thoughts and actions have for a long time been a cornerstone in motivation theory. The fundamental idea is that all individuals, at every given time, have a number of competing needs. These needs are arranged in a hierarchy, from the most pressing to the least pressing. In order of importance, these needs are a) *physical* needs, b) *safety* needs, c) *social needs*, d) *esteem* needs and e) *self-actualization* needs. The individual moves up the ladder when the needs on the lower levels are fulfilled. If needs on the lower levels are threatened, the individual moves down the ladder in order to fulfil the

more basic needs anew. Below we present the Hierarchy of Needs according to
Maslow:

Figure 3.2   *Maslow's Hierarchy of Needs.* (Source: Brüzelius & Skärvad, 1995:248)

4 The Case Company

Due to confidentiality, we leave out any information that can be used to identify our case company – the Big Company, i.e. one of the two former companies that now is partner in the new joint venture. We present facts that we consider relevant for understanding the background to the human resource issues that the Big Company has faced during the pre- and post-merger period.

W e have had a unique opportunity to follow a Swedish corporation in a knowledge intensive, high technology industry, on its journey of joining forces with one of its competitors. We have followed the Big Company over a period of six months and it has been a very exciting journey. When we first met with representatives from the Big Company during the spring, it was unclear whether the plans of the joint venture would be realized or not. This was dependent on a number of factors. We have had the chance to follow the company almost throughout the whole process from Joint venture announcement to integration preparation when a culture integration team was appointed that we assisted, and now with this thesis, the first critical phase of human integration. We had the opportunity to follow the company through two or three reorganizations in preparation for the venture, redundancy notices and severe uncertainty and chaos.

In late summer, when we for the first time met and interviewed the people on the site that would later become our main focus of study, they did not know what would happen. They had been notified of the joint venture plans and over a few dramatic months they had gone through two or three reorganizations and redundancies and were now living under the threat of redundancy. They could only wait and see who could stay and who would have to go. One of the

interviewees said, *"It is either me or some of my colleagues that have to leave"*.

When we carried out the pilot study in August, many of the people we interviewed perceived their situation as very difficult. Their situation before the merger was characterized by reorganizations, they lived under redundancy notices and uncertainty. When we visited the site for the second time to interview people about their experience of the joint venture, six weeks had passed after the new company started its operations. This time we interviewed nine people altogether from different functions and levels, and they gave us quite different stories about how they perceived their new reality. We begin the story with a brief description of the context on the site.

In early autumn, the joint venture had been approved. The last people who were made redundant had been notified and a very important step in the integration process was now put into action – the integration of the people from the two partner companies. Everything had to happen very quickly due to challenging market conditions, and it had been a very intense period for all involved from announcement to integration.

Following the joint venture agreement, human integration began on the site as soon as the new company was officially established. Six weeks into the new venture, a number of employees from the former Small Company had moved to the site, and the new names of people who would soon move there appeared almost every day. At this time people were busy working out how the new organization should function. People have noticed that the employees from the different companies do things differently. At present the focus is on costs and results, the ambition is to turn two loss companies into one profit bringing company. People generally feel that the new executive management has stated

clear and distinct goals and directives. The general feeling among people is that these have not been broken down yet, and it is therefore up to the middle managers and their staff to interpret what this means for them in their part of the organization. The winning proposition needs to be broken down into clear goals for every group.

There are not very many signs that a new company has been created and most of the people we interviewed do not feel that they are part of a new organization. At the site there are, following the establishment of the new venture, now three companies where there used to be just one. You cannot really tell that a new company has been established in terms of the premises. People in the three companies still sit here and there mixed with each other. The building where the new company will run its operations will not be available until May next year. One of the other companies must also wait for their new building, and until then people from the three companies will have to sit blended in the buildings that are available. People from the three companies will be working side by side with each other for some time. This makes the situation a bit tricky, as people who used to belong to the same company are now supplier or customer to their former colleagues. You do not really know what you can and cannot say to people who you used to meet in the corridor and discuss things. Many long established interfaces and network contacts have been lost ,and people have to find new interfaces. There are few visible signs and symbols on the site, and people are still waiting for their new business cards.

In the interviews we found that people have experienced various degrees of integration and contact with people from their partner company, the former Small Company. Some people from the former Big Company are working very closely to people from the partner company. Some are under the management

of people from the partner company, but have not experienced any real integration. Again others have not yet begun to work with their new colleagues.

What is the general attitude to the joint venture?

> *"Many people thinks it is exciting, some are critical because of the very different values that the people from the other company have brought to the site. For instance, they have a very different view on when to leave the office at night, and they have a different view on women, and if a senior manager announces a meeting you have to leave everything. Some people have a will to change and cooperate and some do not. Some people who were negative before the joint venture are now positive, the decision has been made. So far, not all people are affected by the joint venture."*

5 Analysis

In the analysis we present the empirical findings from the interviews and the disposition of this chapter follows the theoretical framework. We do not aim to present all findings, only those we believe contribute to the understanding of important aspects of post-merger integration. The analysis in concerned with the first purpose, to identify people's reactions, attitudes and feelings. For confidentiality and integrity reasons we leave out any information that may be used to identify individuals. All quotes are in italics.

5.1 Introduction

When we meet the employees in the New Company - most of them for the second time - six weeks have passed since the joint venture was officially established. Some people have started to integrate with people from the partner company; some have not yet but are expecting to begin soon. One group is working under direct management of a team from the partner company. We found that people perceived the first weeks of the integration quite differently. For some people there had not been any major changes. One middle manager described the situation as *"business as usual"*, and another middle manager in the same department says that it has not been a big change for him, *"The Site is as it has always been"*. Other people's work-life situation has changed quite dramatically. One senior manager at another department decribed the situation as *"completely chaotic, we are trying to do everything at the same time. We are trying to reorganize the business and at the same time we have to get to know one another."*

When we ask the same senior manager how he thought his subordinates perceived their situation, we obtained quite different views. The senior manager thought that his subordinates were not really affected by the chaos the same way that he was. His experience was that he acts as a shield and that his subordinates do not really notice it very much. Speaking to one of the subordinates, in contrast to what his manager said he was very concerned and anxious about the situation, which he perceived as chaotic and threatening. He seemed stressed, unhappy and worried about the well-being of the new-formed company.

People have different feelings about the joint venture. Some are excited and feel safe in the new situation, some feel excited but at the same time concerned. One middle manager feels threatened by people from the partner company as they are in a dominating position at The Site.

People have different conceptions of reality but in common is that they have all entered a change phase and a new company has been formed. They interpret the signs of the new company to make sense of what is happening.

5.2 Symbols

With a symbolic approach to organizational culture, the New Company should be viewed as a symbolic environment where the members use the symbols to interpret and understand their new reality and to define the boundaries of the collective. All symbols become important when people form their understanding of a new situation. Symbols are ambiguous, they stand for a multiplicity of meanings, thus they are open to many interpretations. We are interested in finding out how people react to and perceive the symbols in their

new reality. How do the employees interpret the symbols in their new environment, what do they pay attention to and what is important?

5.2.1 Symbols as Linguistic Formations

We begin with a message from the new CEO. On the first day of the New Company he made a genuine attempt to define the boundaries and values that should prevail in the company. All employees received the following e-mail from their new President:

Dear all,   October, 01, 2001
Welcome to the New Company!

Today, we embark upon new challenges. The New Company is our new venture that commences, (Date), and every one of us starts working towards one common goal. Our challenge is to become the No. 1 brand in the industry in 5 years. I strongly believe that we will be able to achieve this aim by continuously launching very attractive products and services to the consumers. If we can fully realize the potential of all competencies inherited from mother companies, we must be able to offer such products that people in the world will love to possess and use. That is the vision of our brand. To this end, we must unite the powers of all employees at this new company into one, and create a very unique culture of our own that sustains high performance of every individual. I would like to share the following mottos, as cultural values that our company, from today, will foster and guide all of us:

1)   Share common goal and clear integrated strategy
2)   Develop constructive team spirit
3)   Be responsive to market dynamics, consumers' behaviors and competitors' move
4)   Velocity, Discipline and Commitment as slogan
5)   Be curious about products

I believe all of these a vitally important to fully maximize our potentials. To all of you, welcome to the New Company. I am committed to, and very much excited about working together with you. I will try my best to lead this new company and I know we will be the ones to lead our new company to success. Let's work together!
Sincerely,

The President

According to the employees the CEO always takes the opportunity to bring up the cultural values in meetings, in public speaking and media. People were aware of some of the mottos, but were not quite sure what they mean: One

middle manager said, *"We know that teamwork is encouraged but what does it mean?"* All the people that we interviewed were aware of the vision, The Winning Proposition. However, not all of them were aware of how to reach this goal. Many of them told us that the goals have not yet been broken down to department specific goals. In some departments, joint efforts are being made to translate the Winning Proposition. In other cases, individual mangers at different levels are left to their own judgment to interpret what it means to them. The uncertainty seem to increase their uncertainty:

> *"I think all employees know the vision for the new company, which is that we are going to be number one in five years. What we don't know is how to reach this goal."*

5.2.1.1 Media

We can see from the interviews that the recognition from media is of great importance to some of the employees. At the same time as operations began in the joint venture, the former Big Company has received much praise in media for new products, launched under the Big Company brand-name, following a long period of being criticized for products and other things. The joint venture has also gained several positive headlines. People interpret the signals and take them to their heart. One of the middle managers, who feels very stressed about the whole situation, has been greatly impressed by the positive media attention.

Another middle manager at a different department, who also perceives her own and her subordinates situation as very stressful, repeatedly mentions the lack of attention and recognition from internal sources. Media has fulfilled a role here as provider of positive attention:

"We have received very positive response for our new logotype, this means a lot to the morale, it gives energy and strength. But this attention did not come from internal sources but from media."

However, media attention does not seem to be enough to her:

"What we need now is some pep-talk, someone that encourages us to feel proud and to work together"

5.2.2 Symbols as Objects

Here we refer to symbols as everything physical. We begin with top management. The top positions in the New Company's global management, as well as in top management at The Site, are to a large extent held by people from the partner company. In some cases there is a good balance. The composition of the new top management is a source for different reactions and interpretations. All interviewees have noticed the dominance, but react to it differently. One middle manager expressed her relief that something is finally happening. In her opinion, it was about time that some of the fogies were exchanged for *"some new fresh blood"*. Previously at The Site, there has apparently been a lack of clear and strong leadership. Therefore the feelings are a bit mixed among some people. On the one hand, people are happy that the partner company has contributed with a strong leadership. On the other hand they are concerned about the dominance.

Not all people are directly affected by the dominating management team on The Site, but everybody seems to be aware of the signals it sends especially to those who are. Those who are not affected report that there seems to be some frustration among those who are. Those who are directly affected are very

frustrated and under severe pressure. One person even interprets the dominance as a takeover.

Other important symbols are physical signs. Almost all interviewees state that they miss visible physical symbols that confirm the creation of a new company. They lack obvious symbols that are easy to interpret, such as flags, pens, signs and business cards. A middle manager in the marketing department told us:

> *"It would have been nice with an attractive package with stickers and something to read about the new company. We don't even have any new security passes or business cards with the new logo."*

A person from the Human Resource Department explained that some of these things take time, business cards for example cannot be made until all positions are decided. She told us that they are working on this and that they were putting together a bag package for the employees with different things associated with the New Company.

The interviewees also mentioned that the people who belong to the New Company do not have their own building. Due to the joint venture, there are now three separate companies at The Site, it used to be just one where all people at The Site were employed. Employees who now belong to the New Company are now working side by side with people from all three companies, people who used to be colleagues. They are sitting mixed in different buildings on The Site.

> *"Here at The Site it is a very provisional arrangement, we sit in barracks and have colleagues here and there. This is also something that makes you feel that we have not quite started the New Company.*

If we could have moved in together at the starting-date it would probably have felt different. We are used to this but it does not make things better."

People report that the unclear boundaries complicate the daily work in the New Company, i.e., the fact that people from two companies sitting in the same building force people to start closing doors for confidentiality reasons. People are not quite sure about whom they are allowed to talk to, and what they can say, and this has caused some conflicts.

Another factor that contributes to the unclear boundaries is that most people from the former Big Company are still using their old company's e-mail addresses. Their new e-mail addresses only works on the Internet.

5.2.3 Symbols as Acts

Here we mean symbols as acts, actions and activities. We begin by referring back to the top management team who has moved to The Site. Although people have reacted differently to their dominance, they seem to think that it is reassuring that these managers have chosen The Site. The message this seems to communicate is that The Site is important in the New Companies operations.

Another important thing is integration activities. Apparently there have not been many integration activities that show that a new company has been established. There has been one culture awareness seminar that all employees were encouraged, but not required, to participate in, and some of the interviewees also mention a pub-night at that was arranged at The Site on the day when the New Company commenced. People have different opinions about these activities. Some people think that the culture awareness seminar was

good and informative, some say it was dry and addressed irrelevant issues and would have liked for instance a focus on *"typical situations, conflicts and misunderstandings that can happen instead of statistics"*.

The pub-night was appreciated but apparently it was just like it always is when they had pub-nights with their former company. One of the middle managers said that people from the other companies at The Site also came, nobody really checked. People are asking for more integration activities such as kick-off and forums:

> *"It is hard to explain but I miss something. Something that could show me that a new company has been created. I was hoping for some kind of kick-off or activities in connection to the launch of the New Company."*

Related to integration activities is the initiative to appoint culture ambassadors. At the moment there are also culture ambassadors, 1 in 100 persons who are going to work to spread values and information.

One symbolic act that has been especially appreciated is lunch invitations. In one of the departments, the new top manager (from the partner company) has introduced lunches where he invites four people in his own organization each time to have lunch with him, when he has the time. A middle manager at the department who has had the opportunity to enjoy these lunches told us:

> *"At these lunches he can talk to people and find out how they are doing. This is extremely appreciated."*

In the theoretical framework we mentioned Watslawick's (et al 1967) theory that all behaviors have a message value and therefore are communication, and this means that no matter how one may try one cannot not communicate. Activity or inactivity, words or silence all have message value. We have seen examples of less appreciated symbolic acts – the new top management team from the former Small Company seems to have isolates themselves behind closed curtains. One middle managers who is now working under this team shared his reaction:

> *"I have reacted to the fact that nine out of ten of the guys from the former Small Company are sitting in a room together, locked doors, closed curtains and they are not visible in the organization. The signal that I pick up is that 'Here are we sitting and deciding what they are supposed to do'. They are not walking around or talking to people but they are present at the meetings where decisions are made."*

The message this act conveys to the middle manager is *takeover*. We asked a manager in a more senior position how he perceived the same situation. He admitted that in the beginning he, with less information, had the same fears of a hostile take over. However, as he has now got to know this group of people better he no longer suspects this.

Another aspect of acts is behavior. Some people have started to work with their new colleagues and have experienced differences in work place etiquette:

> *"When I entered a room for a meeting, I sat down at the table. But the a man from the former Small Company asked me to leave the*

table and be seated on a chair in the back corner of the room. I did not understand what was going on but I left the table and asked myself if he treated me this way because I was a woman…"

5.3 Communication

We distinguish between two types of communication, *information* and *dialogue*.

5.3.1 Information

The interviewees have different experiences about the quality and level of information they have received. There seems to be two categories – those who are satisfied and those who are not. This is mainly dependent on position. In the interviews we have seen two information needs from the employees. The first need concerns information that is task-oriented and comes mainly from management and top management. Especially the senior managers are in a position where they have access to a lot of information. They are content about the information they receive – they get what they need, and this has contributed to their feeling of security. They seem to have heard, however, that the general opinion is that people do not get enough information.

Middle managers are generally quite frustrated by the insufficient information. One exception is a person who has been appointed culture ambassador. She gets what she needs. One middle manager from a technology department mentions a CD with information about the new company's vision. As it seems that this CD was distributed randomly. He did not receive it but managed to get hold of it anyway. The same manager feels that the flow of information is worse than ever. For instance, he says that nobody takes notes from the

meetings and this means that there are verbal transmissions of what has been decided. As a result there are different versions. To some parts of the organization there is no flow of information at all. "*This means that everybody receives different messages. It has gone from bad to worse. We used to have forums for this.*"

The second information need is not explicit, it has to do with people's need to understand the situation and their role in it. One category is individuals who are satisfied, they have had this needs fulfilled. One of them said, *"I get what I need. I don't need to know everything"*. This group consists of employees that have senior manager positions. They have better access to this type of information and they are also content and reassured. They understand what is going on. These people are somehow connected to and collaborate and communicate regularly with global management in London. As key distributors of information they have the power to decide what information should be transferred to people on lower levels.

Those who are not content primarly lack satisfactory information and secondly lack opportunities that facilitates the understanding of the situation as such and their role in it. One middle manager said, *"There is not enough information about who we are now, and what we will become."* The uncertainty and the feeling of standing outside and being left out of what is happening is a source of frustration according to these employees.

We were also interested to hear how they experienced the flow of the information in terms of quantity and timing. We were told that it was better in the beginning, now it seems to have died out a bit. A senior person from human resources agreed that they had great ambitions from the start but maybe it has gone down a little. At the moment questions are asked on a more detailed level.

She perceives that people are more receptive now, and reflected that *"maybe there would be a point in communicating the same information once again"*.

5.3.2 Rumors

Rumors are messages based on speculation, imagination or certain wishes. They usually emerge as a reaction to situations where ambiguity and anxiety about something that is important to the people involved. If accurate information is not provided about these situations, rumors are created to 'answer' the unanswered questions. We asked the employees if they could give any examples of rumors that they had heard of:

> *"I hear that people like and trust the new CEO. I also hear that the CEO is surrounded by strong people from his previous company and only a few 'easy to manipulate and convince'- people from our previous company. This frightens people."*

We also have a situation where the partners have been using different software solutions. Apparently there is a problem of agreeing which of the two partner's system that should be used in the New Company. The former Big Company offered their partner company special tools and ways of testing their system. They turned this offer down officially, but there is a rumor saying that they secretly evaluated the system. A middle manager said:

> *"I have heard that they have evaluated the system behind our back. Some people have been very upset about this."*

5.4 Shared Understanding

In the theory chapter we said that when a joint venture has been established, members from the two organizations rarely have a shared understanding. In our interviews we can see that this becomes evident when people begin to work together. This is especially obvious in the department where employees from the former Big Company are under direct management of the team from the partner company. One of the middle managers at this department, as well as a senior manager, express great frustration due to this. They especially point at processes that the former Big Company has developed over several years as it has grown in size and volumes. Many of these processes "*have fallen apart completely*". It seems, they tell us, that their new management do not understand and appreciate their knowledge and experience of running operations of this scale. The partner company's operations were ten times smaller prior to the merger. They suggest working methods that people from the former Big Company *"know"* is not suitable for large-scale operations. The senior manager shares his frustration:

> *"They apply the same kind of thinking that we had ten years ago, they don't understand but claim that their way is the best. This is very tiring. We have come further in our maturity process. It takes such a long time to explain, you feel like a parrot."*

He concludes that the will to take on certain knowledge differs. Some of the new colleagues seem to be slower than others. Sometimes he feels like they do not want to understand and does this on purpose. He fears that this is going to end with a big clash.

Obviously, the power imbalance makes it harder for people from the former Big Company to get their messages across. The middle manager is not happy about the significant dominance by the former Small Company people from the partner company in management positions. He would like to see balance in management, a balance that would facilitate the discussions and create an atmosphere where they can find best practice and the best solutions. Today this is not the case. He describes what many times happens in meetings:

"In meetings the issues are usually presented by those who have prepared them, for instance project-leaders or specialists. Then there is often a discussion and there are questions and questioning from different people. Then there is always somebody at the meeting who is highest in rank and he gives his opinion about different things. Sometimes he approves the specialists' suggestions, sometimes not. We ask why, but we rarely get a satisfactory explanation to why we are going to do it that way. Most of the meetings have been like this. There is room for discussion until the boss has made up his mind. This may work but we are just not used to it."

He concludes that the New Company does not start from scratch. *"You take what we had, what they had and blend it together. In this situation it feels difficult to communicate what was good with what we had. There is a frustration at the moment."* He feels that his experience and achievements are not utilized in the new company. The concept is changed again." *"Those who are working with this feels that their knowledge are no longer listened to and they feel a frustration and worry that this is going to be a disaster if management does not listen to our experiences."*

A middle manager from marketing has also seen these tendencies. She is not so concerned, she believes that global management is aware of this and that they consciously want to shake up their way of working since *"it has not been the most efficient way"*. However, she says that one can question their way of working considering the kind of products they have released and how faulty these products have been. They have been forced to withdraw them from the market because they do not work. Therefore, she is not totally convinced that their way of working is better than theirs. Instead she would like to see that they could take the benefits from both partners' way of working and reach a middle way solution."

5.4.1 Dialogue

Dialogue helps people to create a shared understanding. As stated, people have experienced various degrees of integration. Thus, they have had more or less opportunities to interact with their new colleagues. There is much uncertainty at the moment among those who have not had real integration. A middle manager at the software department, who will be serving colleagues from the partner company at another site, told us that she has not yet met the people that she is supposes to collaborate with. To her this means that she carries on with her work as before, and to her it does not feel as if they are a new company. She is not the only person waiting for opportunities to meet. A middle manager in marketing said that she needs a feeling that they are a new company. She misses a new 'we'-feeling."

> *"People need opportunities to meet as much as possible[7]. It is difficult not to have a face on people you are going to work with."*

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[7] This has been complicated because of travel restrictions due to the New York terror attack.

5.5 Identity

The interviewees seem to have one thing in common – to a higher or lesser extent they are searching for a new identity. Identity is important for a person's feeling of unity and continuity in her life, for knowing which groups she belongs to and for knowing how to act and relate towards people in the environment. At the beginning of this chapter we mentioned that people have experienced various degrees of change. Some said that not much has changed, some perceive the situation as very chaotic. We asked people how they notice that a new company has been established the interviewees gave us different views. A middle manager at marketing said that in her opinion it is not obvious enough that a new company has been established. To her it does not really feel as if they are a new company. they are not functioning as a new organization, the organization is not evident. People from the former Small Company has moved here, that is all. *"We also have a new logotype. Nothing else."* She would like to see more engagement from top management or an internal information channel that 'now we are this new company'. She even believes that some people think they are still employed by their old company.

One of the senior managers shares the experience. She notices that they are a new company because she is working more with people from the former Small Company. Generally in the organization she thinks that you see too little of it. *"People lack an identity."* There is no 'we'-feeling in the positive sense. In stead, she says, *"Here at The Site you can clearly see a 'we and they'-feeling, people have a common 'enemy' that they are fighting against."*

This brings us to group belonging and social identity. Tajfel's 'Social Identity Theory' suggests that when a group encounters another group, the need for boundaries becomes greater. Natural reactions in this process are stereotyping

and striving to protect group distinction. If a group feels threatened, members may feel antipathy against the other group. Some people in the department that is under the management of a team from the former Small Company feel very frustrated and also threatened. We asked how it feels to have the management team in this position on their territory and what message this conveys. One middle manager who works under this team said:

> *"I think a lot about this. There was much talk initially that we would be integrated. I have not seen that we have become integrated. I have seen that guys from here have been given positions below management at other sites. I have seen that our man has been replaced by management from the former Small Company."*

to him, the message this communicates is: *"Takeover. It is not cooperation between equals – the small player takes over the big player."* A senior manager who has had more direct interaction with the team told us that he initially thought that the partner company intended to take over. Now he does not believe so anymore:

> *"I don't think that a shadow cabinet has taken over. I had a small feeling that it was so but I really don't feel that anybody is threatening me."*

One thing that contributes to the feeling of threat is that people in the management team are not making themselves visible enough. The middle manager said that he had reacted to the fact that nine out of ten of the guys from the partner company are sitting in a room together, locked doors, closed curtains and they are not visible in the organization. The signal that he picks up is that the team are sitting there and deciding what he and his colleagues are

supposed to do. He do not see them walking around or talking to people but they are present at the meetings where decisions are made.

5.6 Maslow's Hierarchy of Needs

We can see signs that people are living under extreme stress and insecurity. Many people express the need for attention, to be seen, to get something back. A middle manager is concerned about her subordinates. They have been very exposed over the past year with two or three reorganizations and many people being made redundant:

> "*My experience is that people are very excited and want to do everything they can. But you also want somebody to see you, and to get something back. I am a bit worried about that, because as manager I feel that it is difficult to encourage and motivate. People are thinking that they have stood up for the company. Now they are thinking that now somebody should be thinking about what it is like for me and not only what I can do for the company. These people are extremely loyal but they need appreciation.*"

Trust is another important factor. We have reported that a few people feel a bit threatened by the dominance. The general impression seems to be, that people trust the new management. One middle manager said:

> *They are very different compared to the previous management. They are very determined about what they want.*"

It is, in fact, this clear management style that many seem to hope will contribute to taking them to the leading market position in five years time.

6 Conclusion

The conclusion is concerned with the second purpose, to shed light upon critical factors in post merger integration, to identify obstacles and enablers and make visible the problems and opportunities that may arise. We also bring into the discussion the last purpose, how management can relate to these obstacles and benefit from the enablers to facilitate human resource integration. Due to the complexity of the interrelated factors involved it is not relevant to aspire on finding solutions.

6.1 A Symbolic Perspective

We begin by returning to the concept of organizational culture. Culture is as important and complex, as it is difficult to understand and 'use' in a meaningful way. Today, top managers in many companies keep an eye on this issue, but it seems as if there are many times that they lack a deeper understanding for how the organization and the people within it function. Our symbolic approach makes it impossible to accept the explanation that merger failure happens due to cultural clash or mismatch based on the view that organizations are collectives that should adjust to each other according to some kind of logic.

Nevertheless, companies seem to focus their efforts on cultural issues on a collective level. We have also seen this in our case company. During the months prior to the joint venture, the company focused much attention on cultural issues. Mapping corporate cultures, arranging culture awareness seminars and appointing culture ambassadors were all genuine attempts to help people adjust to new circumstances. These efforts are aimed at the organization

as a collective and everyone is expected to have the same needs, and therefore get the same attention. We must question the relevance this approach. Our study has shown that people in the organization need attention on an individual level. We have seen that individuals in our case company experience their situation very differently. Rather than a collective with the same reactions and feelings and a new identity taking form, we found a rather a schizophrenic organization which portrayed many different and confused identities. Based on the employees' descriptions of their new reality, we could identify three critical factors – uncertainty, information and shared understanding.

6.2 Dealing with Uncertainty

We can conclude that the first few weeks of the joint venture integration is a very vulnerable time with great uncertainty and big changes. The taken-for-granted and familiar are shaken to their foundation. The reorganizations and redundancies during the year prior to the merger have contributed to increasing people's feeling of instability and insecurity. People experience various degrees of uncertainty in this phase. Some actually seem quite content and at ease, excited about the future. Others are more anxious, they feel concerned or even threatened. This is mainly due to the picture they have about what is going on, who their new colleagues are and their place in the new venture.

At this stage, employees are looking for signs and symbols in their environment that can help them understand what is happening and the nature of new context they have become part of. People pay attention to things that normally pass without recognition and much thought. One thing that complicates this process is the lack of symbols, and the fact that some important symbols send ambiguous messages. This increases their confusion. When there are few or ambiguous symbols the individual fills in the gaps with the help of her

imagination. We can clearly see that those people who feel anxious are looking for more concrete symbols such as events, exposure of the new logo around the premises, a new security pass. It would also help to break down the winning proposition into department specific goals. Other important symbols that we have identified are the premises. The fact that people are sitting mixed with their former colleagues makes it more difficult for them to develop a new identity. Speeding up the process of letting people move into a building specially designated for the New Company would make them less confused. All these things contribute to reducing individuals' insecurity and help them in the process of developing an understanding of what is happening, who they are.

6.3 What About Me?

We have seen that the employees who experience much uncertainty are very focused on their own situation. They are anxious, exhausted and self-centered. There are different opinions whether the ones that were selected to join in the joint venture are the winners or if they in fact are the losers. This is hinting that something needs to be done. All the employees in the joint venture needs to feel proud and as winners. Before they can utilize the maximum of their productivity and creativity their main concern lies in reducing uncertainty and regaining security. At this moment the individuals should also be the main concern for a firm that would want to preserve and take care of their main resources for value creation for a knowledge intensive high tech company. In a joint venture it is the transfer of capabilities that the two partners are interested in, and as the capabilities are stored in the employees, attention has to be paid to the individual's needs and to the environment that makes her grow and perform at her best. We see the need of acknowledging the employees and answer the needs of "see me" in order to create a good attitude and a team spirit

and a willingness to see and collaborate with the other when my own needs have been met."

The aim is to turn two loss-making companies around and to be profitable from day one. This implicates cost reduction and cost cutting in many areas. Bearing this in mind when dealing with integration issues it becomes highly relevant to direct the actions within the right abstraction level and to know why resources are spent in a certain way. In these circumstances some individuals feel that they give a lot and get little in return. If management takes away small privileges from the employees such as free water and fruit, this may in reality cost more than one actually think, in terms of de-motivating the employees even more.

6.4 Information, please

We see that clear information is a critical factor in the construction of understanding and hence the reduction of uncertainty. Symbols are one form of information that individuals interpret contextually. Another form of information, which is also a type of linguistic symbol, is explicit information from management that is task-oriented and describes the situation and role descriptions. Here we can see two categories of employees, those who get the information they need and those who are asking for more information. Those who get sufficient information are content and feel safe. Those who do not feel anxious and stressed.

The people who are content are generally managers at senior levels who have good access to information about what happens, what their role is and how the merger proceeds. They are reassured and they are not anxious, their uncertainty is reduced because they have received a sufficient information of the right kind.

Both in terms of the information they need in order to understand what is going on and directly task oriented information. One person said that she does not need to know everything. The fact is that in order to overcome their uncertainties these employees have already received more information than needed and constructed their understanding of the situation.

These individuals are also key distributors of information, which means that they have the power to decide what information that should be distributed to people at lower levels in the organization. Their position and situation makes them feel good about themselves, and this strengthens them even more and they become energized. Their need for safety has been fulfilled and they have moved upwards on Maslow's hierarchy of needs. Therefore they can alter their focus from overcoming uncertainty and contribute more to the operations and also support others.

We can see that it is generally the middle managers who complain about not getting enough information. This has increased their uncertainty and created frustration and a sense of being left out. These employees seem to be fumbling in the dark putting much time and energy into understanding what is going on and why, and how they are going to carry out their tasks to achieve the overall objectives. They are caught in a vicious circle where they experience ambiguity and anguish. This affects their self-confidence and their ability to focus on the company's best. The uncertainty they experience about their environment and their role in it makes them want more information than they actually need, they want to know everything even the things that does not really affect them. Everything is important to them and somewhat contributes to reducing their uncertainty. People who feel uncertain focus much attention on their own primary needs, but at the same time they also have to carry out their duties and the entire situation makes them feel even more pressured and stressed.

Furthermore, the 'information distributors' are giving out information that they think is key to people on lower levels. However, as they do not have a clear understanding of what is going on – thus 'suffer' from an incomplete picture – they seem to experience these bits of information as fragments which are difficult to interpret because they have an incomplete frame of reference. As the receiver of this information have a limited understanding of the new reality he cannot fully utilize and profit from the adapted, specific information in the same way as under normal circumstances in a familiar, stable situation. The conclusion is that due to the intricacy that characterizes a change situation there are greater needs and demands of more information and more clearly defined information.

6.5 Have You Heard…

Lack of information leads to faulty conceptions. Rumors may emerge as a reaction to a situation characterized by ambiguity and anxiety. If accurate information is not provided about these situations, rumors are created to 'answer' the unanswered questions. In order to fulfill their need for information individuals' fill their gaps by using their own imagination. In their mind they may interpret signals and symbols subjectively and hold on to these perceptions, true or untrue, until they are proven right or wrong. Here we would like to point out two things. The conceptions that people have about their reality influence their behavior, and as it is part of their frame of reference it will also have implications on how they interpret other symbols in their situation. For instance, if a person believes that the new management team from the partner company is a power-group that is *"here to take over"* he may primarily act in ways that serve to protect his 'former' company, like not giving out important information in the collaboration. His acts are detrimental not only

to the partnership as such but if his conception spreads as a rumor it may create more uncertainty among his colleagues. Secondly, he will see the rest of his world from this perspective and interpret other symbols in favor for his current conception that the power-group is there to take over. False information about what is going on is distracting the collaboration and the integration process. Therefore it is important that such conceptions about reality are brought forward and openly discussed. We conclude that clear information is needed and malicious rumors need to be brought to the surface, and met, and in the relevant cases to be condemned and proven faulty.

Since rumors and the grapevine are part of an organizational communication network, managers have to make efforts to avoid secrecy, minimize ambiguity and resultant anxiety that lead to rumors. People should gear up to fight the devils 'outside' instead of each other

6.6 Who are They?

One obvious factor that increases uncertainty is that people get new colleagues. People have experienced various degrees of integration, and we can conclude that those who have been integrated in the real sense, that means actually began to work with them side by side, seem to feel more content and at ease. The fact is that there have been conflicts, in some cases there are ongoing severe conflicts, but in terms of safety they feel secure that their new colleagues are here with good intentions. The clashes that have occurred are due to different conceptions about how to run operations, how to take decisions and how to relate to each other (see also 'My way or your way'). In contrast to those who have experienced real integration, those who are still waiting to be integrated or somehow work closely to their new colleagues, feel more insecure. Not knowing who these people are, what they expect from them, how they are

going to work together increases their insecurity. They wish to meet their new colleagues as soon as possible so that they can find out how they will be working in the joint venture.

A third category are those who are working under direct management of the team from the partner company. This group has not experienced real integration, in other words they are not working together with them on an everyday basis. Instead they are subject to their decisions and power. People from this group are very frustrated and feel antipathy against this power group. Since they have not had any genuine integration they have not had the chance to meet as equals and experience for themselves who these people really are. To fill their need for information about who these people are they seem to have made conclusions based on their experiences, observations and other signs. This has resulted in a feeling that the management team is an enemy, here to take over.

The conclusion we draw is that integration is very important when employees are going to work together to reach a common goal, both in terms of reducing uncertainty and in terms of helping individuals develop a 'true' picture of who their new colleagues really are.

6.7 My Way or Your Way?

We have said that one of the prerequisites for organized activities is that people relate to the internal life of the organization and to the external environment in a similar way. Not surprisingly, the people who have been put together in the New Company have not quite reached this level of unity. They have not yet come to an understanding of how to work together. In some cases this is beginning to work quite well, but in other cases there are big disagreements on

how to do things. In other words, people have different conceptions about how to do things and lack a shared understanding. Due to their different backgrounds, knowledge and experience, people from the two companies find it hard to understand were their new colleagues are coming from and also how they are going to achieve the goals together. We have seen that the employees have not yet had many opportunities to meet and exchange their views on their new reality; therefore they have little understanding in common regarding the new company.

We suggest that the key to facilitating the integration process and the creation of a new company lies in the establishment of a shared understanding. Understandings are socially constructed and open to negotiation. Not only between the two merging companies but also between the individuals in the former companies. They all need to renegotiate their understandings in order to prevent getting stuck in old routines. In developing a shared understanding individuals must be prepared to discuss and negotiate their individual views in order to challenge their understandings. In the interviews we found that where interaction between groups from the two former companies tried to agree on certain issues they were unable to reach an agreement due to the fact that they did not understand each other.

6.8 How can we Understand Each Other?

Again, we point to the importance of paying attention to dealing with problems at the right abstraction level so that the parties can reach each other and avoid talking at cross-purposes. We have seen that the company has been focusing on the collective. However, in forming a new company we advocate the importance of taking a starting point in a micro perspective, focusing on the individual and creating the necessary conditions where all employees can

renegotiate and share understandings. One cannot force the knowledge and knowledge sharing on people, instead the company should provide occasions where people can seek for the knowledge they need among others through the company environment. Dialogue offers a way of building a basis for mutual understanding and trust by uncovering the basic cognitive processes that underlie individual and group assumptions.

In other words, the purpose of dialogue is to create openings where employees at different levels get opportunities to share and discuss where they come from, their understanding, experiences and explain to each other the value of their knowledge. People need meeting places where they can negotiate their values, evaluate each other's knowledge and experience and see themselves in the eyes of other people. Thus, the goal must be to create prerequisites where people's understanding can become similar enough for them to be able to reach a common goal.

6.9 Searching for a New Identity

Identity, to know who I am and what group I belong to is important for individuals. At the moment, people have an identity crisis, there is confusion about the boundaries of the New Company. As we have mentioned, there is a lack of obvious symbols that declare the creation of a new company, people are located in buildings together with their former colleagues who now belong to other companies. The management team from the partner company sits 'isolated' in a different building. Employees also mention that they would like to have events, for instance, a kick-off that marks the beginning of something new that they are part of. These may be small things, but they are needed for individuals to be able to define their new identity. These symbolic acts and objects significantly contribute to reducing the individual's feeling of

insecurity, and attention should be paid to these enablers in the integration process.

Another issue related to identity is Tajfel's social identity theory, which suggests that when a group encounters another group, the need for boundaries become greater and the groups strive to protect its distinction. We have seen this in the joint venture, where one department is dominated by the management team from the partner company. This situation has created much frustration and antipathy among the members of the low status group. They show signs of wanting to protect what is good about them, their working methods, their processes and their distinction. This has caused conflicts and the problem is that the low status group feels threatened. It is unfortunate that the groups are kept separated. This means that they can, and will, maintain their distinctive traits. For instance, we have heard that the management team continues to nurture their 'culture', they speak their language and maintain the hierarchical structure in the group. Instead, efforts should be made to integrate the groups on equal terms and make sure that they do not isolate themselves from each other. Different types of meeting places are important here as well to give people opportunities to interact and develop a new group belonging, a new, shared 'We'-feeling.

6.10 Focus on the Individual

It is easy to say that every individual is unique and has special needs. In an organization of several thousands, there is not room for having special needs one may think. We have pointed at enablers focused on individuals in a collective context, for instance meeting places, information and symbols. These provide the employees with relevant information in order to prevent false conceptions and understandings of who we are and this current situation, create

opportunities for people to mingle with their new colleagues. Management and their actions must also become more visible. Everyone can get attention if somebody sees him or her, the new top managers inviting his new subordinates to have lunch with him is a good example. A small gesture that makes a big difference.

6.11 Summary

We have seen that of great importance in the first critical phase of post-merger integration is to reduce uncertainty among employees. In this turbulent situation people become very focused on themselves and their own needs, and their first priority is to make sure they feel safe. To create a picture of what is happening and their place in the situation they interpret the symbols in their new environment. When there is a lack of obvious symbols and many ambiguous symbols open to interpretation, this increases insecurity. When there are few or no symbols the individual is filling in the information gaps with the help of her imagination. Employees also require clear and relevant information in this phase in order to avoid faulty conceptions and rumors. People need to have access to various information channels. Another important factor is to provide opportunities for people from the two merging companies to meet and share their understanding, background, experience and knowledge. Office parties, dialogue platforms and integration in the daily operations help people get to know one another, to avoid fantasies about who the other's are and what their agenda is, and to support the development of a new we-feeling.

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APPENDIX I

The Culture Metaphor

"...our theories and explanations of organizational life are based on metaphors that lead us to see and understand organizations in distinctive yet partial ways." (Morgan, 1986:12)

T he terms 'organization' and 'culture' are metaphors. Nevertheless, these concepts are used so frequently that it is easy to forget that they are metaphors. In the introduction to his book "Images of Organization", Gareth Morgan reminds us that many of our taken-for-granted ideas about organizations are metaphorical, even though we may not recognize them as such (Morgan, 1986).

The purpose of using a metaphor is that you get a good tool to interpret and understand a phenomenon, thus, the concept should not be seen as a depiction of an 'objective reality' but rather as a tool to aid observation, thinking and interpretation (Johansson, 1990). There are different metaphors to help us understand organizations. In this case study we have chosen the *culture metaphor* as we think that culture can be seen as an important metaphor to illustrate organizations (Alvesson and Björkman, 1992). It is an interpretive instrument that allows for an analysis of organizational contexts and it opens new perspectives to our understanding of the organizational complexity that we have to handle. By viewing the organization as a culture we emphasize the importance of shared conceptions, frames of references, symbols and meanings for the organization's ability to function. The culture metaphor is very different from other metaphors to understand organizations that dominated earlier, for instance the organization as a machine, organism or self-regulating system (see

for instance Hatch, 2000). However, according to Alvesson (2001), culture should not be seen as the ultimate picture to portray organizations, because culture easily becomes too general and vague to function as a good metaphor. He suggests that it is important to be skeptical to the concept of culture and be aware that it at best can offer a rough rather than refined picture of organizations. However, as Alvesson and Björkman (1992) suggest, one may find this sufficient as a tool in mergers or strategic decisions.

Abstraction Levels

In Engquist, (1994) we read about Watzlawick's (et al 1978) thoughts on problem-solving, which illustrate how the theory of abstraction levels can be used in applied problem-solving. Abstraction in this context is the result of an abstraction process, meaning the creation of a quantity, element or class from a given prerequisite, such as the class of all things that fulfil the prerequisite. A class must be of a higher logical type or abstraction level than its members or elements. For instance, a bunch of trees (elements) have in common that they belong to a forest (class). Element and class are said to be on different abstraction levels. The class is on a higher abstraction level than the elements. Higher abstraction levels are *meta* in relation to lower abstraction levels. Meta is "*A prefix meaning 'changed in position',' beyond', 'higher', 'transcending' etc*" (Watzlawick et al, 1967:286). The prefix meta- can also refer to knowledge about knowledge, things or relationships (Watzlawick et al, 1967). This knowledge can be formulated as a theory or system of rules, which are meta (on a higher abstraction level) in relationship to the phenomena they regulate or describe.

The core of Watzlawick's (et al 1978) thinking is concerned with the qualitative difference between different abstraction levels and the importance of making a difference between logical levels. In order to avoid paradoxes, he says, one has to carefully separate between the hierarchical levels of logical abstractions, and when moving from one logical level to the level one step higher (for example from an element to its class) one has to make a 'jump'. Watzlawick draws a parallel to the dream metaphor, where a person in his nightmare unsuccessfully makes attempts to escape from his persecutor. The more he runs, the more the problem becomes permanent. The solution is to wake up, to move to another level of consciousness. Problem-solving must take

place on the relevant level. Your attempts will be futile if you try to solve problems on a class level, for instance improving the atmosphere in the workplace, with methods on element level, for instance by telling an individual to change how he relates to his fellow workers. Such attempts to solve problems are, according to Watzlawick, paradoxes and thus meaningless, as they confuse different abstraction levels. To judge on which abstraction level the problem needs to be solved, the problem-solver must first analyze the problem from a meta or meta-meta perspective. The solutions often seem strange, unexpected and non-logical if they are viewed from within the system. Engquist confesses to being guilty of trying to solve problems on the wrong abstraction level. He gives an example of a conference, where he made efforts to instill into participants a positive attitude to working in a new spirit and based on this offer the general public new services. His efforts were not met positively. Eventually, he realized that the participants did already have a positive attitude towards working in this new way. They were instead concerned about how this new way of working would affect their working conditions. He realized that he was trying to convey visions, and that these were on a higher abstraction level than the facts people wanted. In this case, he suggests, actual measures on a lower level would probably have solved the problem.

APPENDIX II

Survey Questionnaire for the Pilot Study

Dear Colleagues,

As part of the Integration one area we are focusing on is the cultural integration. The purpose of this survey is to capture the current corporate culture on both sides by conducting the same survey in all the related sites, in order to acquire the useful inputs for creating the new corporate culture for the joint venture. The data gathered from the survey is solely used for this purpose and kept anonymous without being linked with any HR information. The survey has about 30 questions and it will take you 10-15 minutes to complete. I sincerely appreciate your cooperation.

Best regards,
Manager, Human Resources Department

Please provide the basic information about you:

Your Function
1. Sales & Marketing
2. Product Design, Technology, Engineering, QA
3. Biz Promotion/Strategy, Product Planning, Biz Control, Industrial Design
4. Human Resources & Organization
5. General Administration, Secretary
6. Finance & Accounting
7. Sourcing, Logistics
8. Legal & IP, IS

Your position
1. Non-Manager
2. Manager
3. Senior Manager

Sex
1. Male
2. Female

Service years
1. 0-1 years
2. 2-5 years
3. 6-10 years
4. 11-15 years
5. 16 or more years

Age
1. 24 or younger
2. 25-34
3. 35-44
4. 45-54
5. 55 or older

Nationality

Please choose one among "Strongly disagree" --- "Strongly agree" to indicate to what extent you agree with the following statements.

1. In my workplace, channels of communication are clearly defined.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree
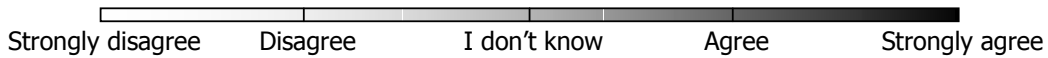
2. In my workplace, people are allowed to be flexible in how they do their job regardless of any set plans or budgets.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree
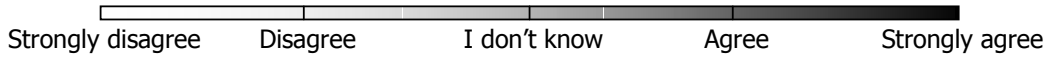
3. If possible, I would like to work for this company until retirement age.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree
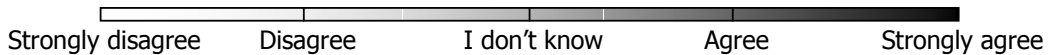
4. In my workplace, achieving the targets is emphasized most while how to achieve them is not really questioned.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree
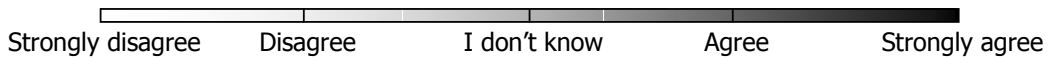
5. In my workplace, managers share the problem with subordinates and we generate and evaluate alternatives and attempt to reach an agreement on decision-making or problem-solving.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree
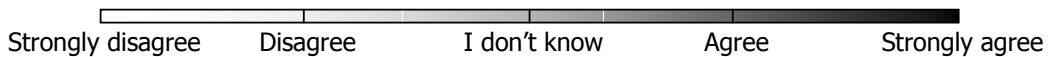
6. In my workplace working toward defined objectives and keeping deadlines is expected and valued.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree
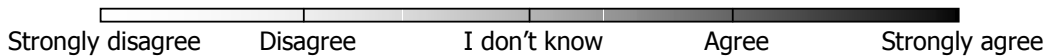
7. I am used to communicating with foreigners in a foreign language at work.

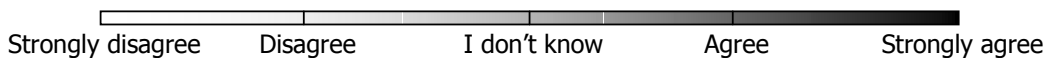Strongly disagree   Disagree   I don't know   Agree   Strongly agree
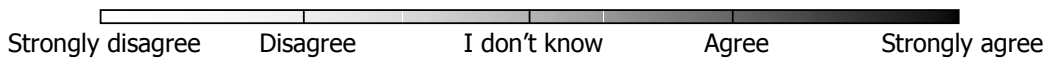
8. In my workplace, managers solve the problems or make the decisions by themselves using information available in their hands, and report the results to the subordinates later.
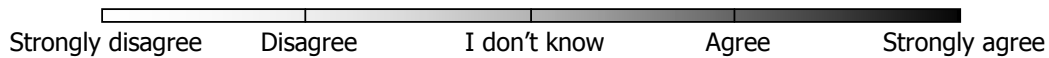
Strongly disagree   Disagree   I don't know   Agree   Strongly agree
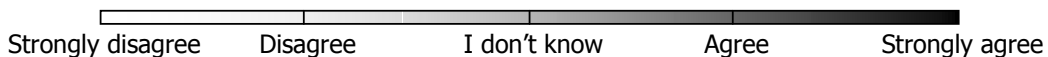
9. In my workplace, people cooperate when necessary regardless of the formal responsibilities and authority.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree
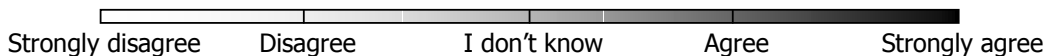
10. I feel committed to my present job.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree

11. In my workplace, people use various informal information networks besides formal channels.

| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |

12. When required, I have considerable freedom to act without having to seek my manager's permission first.
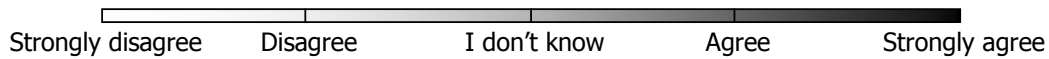
| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |
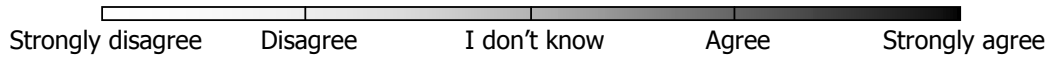
13. In my workplace, all employees, regardless of their nationality can expect to be promoted based on their competence.
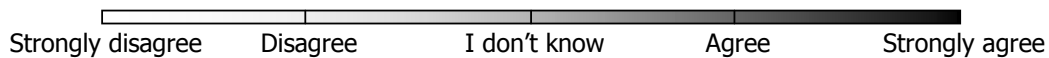
| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |
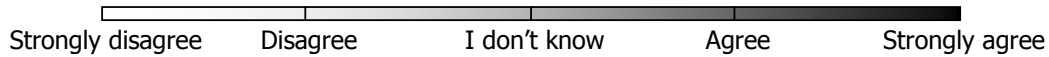
14. In my workplace, individual initiative is expected and valued.

| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |
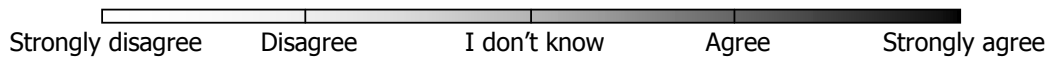
15. In my workplace, risk-taking challenges are expected and valued.

| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |

16. I have the authority to carry out the responsibilities assigned to me.

| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |

17. In my workplace, responsibilities and duties are delegated to the team; thus, cooperation and coordination with the members are expected and valued.
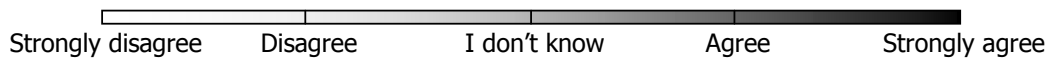
| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |
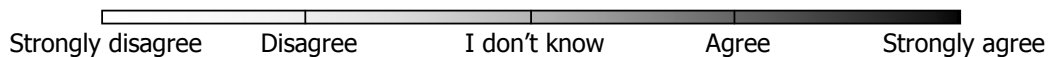
18. In my workplace, each individual's uniqueness and creativity are respected.

| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |
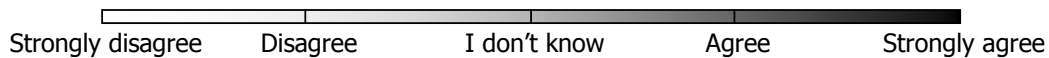
19. In my workplace, duties and job procedures are in general defined and described in detail by management.

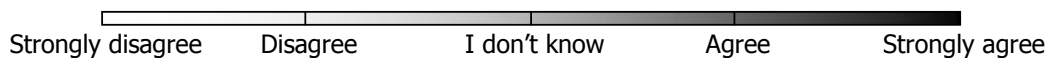| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |
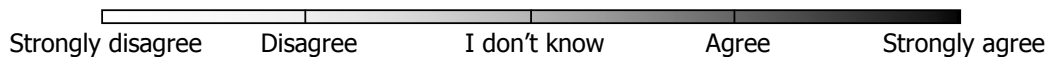
20. In my workplace, people consider "change" as the normal state.

| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |

21. In my workplace, difficult, ambitious targets are often set regardless of the possibility of failure.

| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |
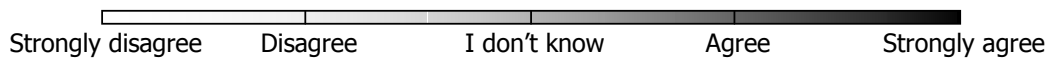
22. In my workplace, our interests and challenges of the job are the motivators boosting our morale.

| Strongly disagree | Disagree | I don't know | Agree | Strongly agree |

23. In my workplace, a person who carries out exactly what was assigned to him/her is highly respected.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree

24. In my workplace we often try out new methods and new ways of thinking.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree

25. The demands of my work interfere with my family/private life.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree

26. I receive regular feedback of the performance on my daily work.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree

27. I have a clear boundary between my work and my family/private life and feel that both are balanced.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree

28. I think my career path is almost predetermined by the time employed in the company.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree

29. In my workplace there are consequences for the individual/team, if they under perform.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree

30. I believe I should take initiative to develop my skills and abilities in order to build my own career and I can control my career in my workplace.

Strongly disagree   Disagree   I don't know   Agree   Strongly agree

31. Please write three key words that you think characterize the climate of your workplace or culture."

_____

_____

_____

32. Please write three key words that you would like the Joint Venture's culture to be characterized by.

_____

Thank you very much for your cooperation!

Interview Guide for Personal Interviews in the Pilot Study

Suggested Plan & Procedure of Interview Survey

Purpose: To investigate and acquire the qualitative inputs to outline the corporate culture in the Big Company and the Small Company both in behavioral and philosophical terms. **Methodological Principle**: To make the process easy-to-answer for the interviewees, have them first think of typical situations and draw answers based on the actual examples.

QUESTIONS	CRITERIA
Organizational Heroes What kinds of people are promoted quickly in this organization? (Function/ age/ sex/ educational background/ experience in company/ personality/ competencies/ leadership style/ specialists/ generalists…) What kinds of people are important in this organization to make the business successful? (Function/ age/ sex/ educational background/ experience in company/ personality/ competencies/ leadership style/ specialists/ generalists…) Who are the famous heroes in this organization?	Leadership role model Rewards & recognition
Organizational Rites What kind of periodical and typical meetings do you attend? What are the main purposes of those meetings? (reporting/ brainstorming/ decision making….) Who are the participants? (within group/ cross-functional/ with customers) How are the participants' attitudes and overall atmosphere? (frank/ quiet/ active/ aggressive/ competitive/ cooperative…) Are they open to share any information or discussion? Do they confront or avoid conflicts? How do people speak? Who leads the meeting? What is the leadership style? What is the communication like among participants? How are targets or decisions made? (top-down/ participatory/ consensus…) Is it easy to raise counter opinions? What kinds of targets are set usually? (aggressive/ realistic/ conservative/ risky…) How are attitudes towards risk? How is the time management of the meeting? (punctual/ always have result within the planned time/ prolonged until getting the result…) Are there any implicit meeting rules? (be punctual/ read all the materials before/ order of speech…) In general business situations: What is the attitude towards customers? How are attitudes/ relationships with vendors? What is the attitude towards deadlines? What are the attitudes towards change? What are the main information sources?	Power structure Leadership Meeting mgt Goal setting Risk taking

Organizational Values What kinds of things are expected to happen frequently in this organization? What are the measures for performance of the organization/group? What could be a serious mistake/ failure? What are the anxieties/ concerns regarding business today? What are the most important values/ morals maintained in this organization?	
Organizational Symbols What is the daily dress code in this organization? Is there any implicit dress code? What are the status symbols in this organization? Is there any jargon among people here? Are there any famous stories/ anecdotes here?	Dress Code
Finally, what is the positive culture here? And what is the negative culture here?	

Interview Guide for Personal Interviews in the Main Study

1. Hur kan du beskriva läget som det är nu? Vad gör ni just nu? Har ni några riktlinjer? I så fall vilka?

2. Hur märks det att ett nytt företag har bildats? Vad betyder det för dig? Hur har din arbetssituation förändrats?

3. Hur är inställningen till JV't i dagsläget?

4. Beskriv din nuvarande bild av de * fd Small Company-anställda på The Site?   (Jfr med fd Big Company?).* Det nya företaget?

5. Är det några speciella drag i partnerföretagets företagskultur som du uppmärksammat eller blivit förvånad över?

6. Vilken bild tror du att de anställda från fd Small Company har av er från fd Big Company?

7. Upplever du att ni börjat fungera som en organisation? (Hinder)

8. Vilken känsla har du för det nya företaget?

9. Vad står det nya varumärket för?

10. Vad är syftet med integreringen på The Site och fd Small Company's närvaro.

11. Beskriv samarbetet/kontakten med f.d. Small Company anställda. Hur sitter ni? (Var sitter de som ej är med i the New Company?

12. På vilket sätt kommer ni i kontakt med varandra?

13. Hur fungerar samarbetet? (Vad är det som har /inte har fungerat?)

14. Kan du ge exempel på möten med fd Small Company anställda. Vad kännetecknar dessa möten?

15. Hur fungerar kommunikationen mellan er? Ge exempel. (Missförstånd? Varför? Hur?)

16. Beskriv partnerns arbetsätt. Skiljer det sig ifrån ditt (och ditt gamla företags)? (Hur är det att arbeta med dem? Vad är bra/dåligt?)

17. Finns det några historier om personer från fd Small Company?

18. Vilket företag identifierar du dig med och varför?

19. Vad får ni för budskap från företagets nya ledning?

20. Hur uppfattar du stödet från huvudkontoret?

21. Förtroende för global och lokal ledning och integrations-teamet? Har man märkt av dem?

22. Förtroende för lokal ledning. Hur känns det att ha chefer från partnerföretaget? Vad skiljer er nya chef från den förra? Vad kan sägas om fd Small Company's/ ert gamla företags ledarstil? Vad är bra/mindre bra?

Kommunikation / information

23. Hur har informationsspridningen fungerat? Vad fungerar/fungerar inte

24. Upplever du att du får den information du behöver? (Vad är viktigt just nu?)

25. Har ni haft några integreringsaktiviteter?

26. Vem har deltagit i dessa? Beskriv utförande och din förståelse för vad man ville uppnå. Vad uppnåddes?

27. Kunde man gjort något annorlunda? Vad behövs nu?

28. Vad tycker du är viktigt att tänka på i integrationsprocessen? Hur kan ni mötas på ett bra sätt?

29. Kan di ge exempel på ljusglimtar och mörka moln? (Hur tror du att samarbetet kommer gå?)