

AN INTEGRATIVE PERSPECTIVE ON MERGERS AND ACQUISITIONS:
SOCIAL IDENTITY, ACCULTURATION, ORGANIZATIONAL SUPPORT,
REWARDS, AND ORGANIZATIONAL COMMITMENT

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I hereby declare that all information in this document has been obtained and presented in accordance with academic rules and ethical conduct. I also declare that, as required by these rules and conduct, I have fully cited and referenced all material and results that are not original to this work.

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ABSTRACT

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This study took place in a recently merged Turkish bank. Two hundred and thirty seven employees from both Ankara and İstanbul participated in the study, which was designed as a cross sectional survey. The results indicated that the model proposing the mediating effect of post-merger organizational identification together with perceived attractiveness of the merger partner on the relationship between merger-induced changes in organizational benefits and commitment to post-merger organization was supported.

The results also indicated that members of the acquiring bank had more favourable attitudes in terms of identification and commitment to the post-merger organization and perceive the changes in organizational benefits more favorably after controlling for the total tenure. Members of the acquired bank, on the other hand, were found to be more identified with their pre-merger organization.

The results further revealed that those employees perceiving mode of acculturation as integration exhibited the most favourable post-merger attitudes whereas separation produced the least favourable outcomes. Moreover, participants

generally interpreted deculturation as conceptually closer to integration. Hence, those employees who perceived the acculturation mode as deculturation produced responses similar to those of integration. Lastly, assimilation brought about less favourable outcomes than anticipated.

The major contributions of this thesis are (1) integrating social identity and acculturation literatures and applying them to an M&A context, (2) comparing two competing conceptual models in the literature, and (3) testing hypotheses in real life setting.

Keywords: Mergers and Acquisitions, Social Identity, Acculturation, Organizational Commitment, Perceived Organizational Support, Rewards

ÖZ

ŞİRKET SATIN ALMALARI VE BİRLEŞMELERİ ÜZERİNE BÜTÜNLEŞTİRİCİ BİR BAKIŞ: SOSYAL KİMLİK, KÜLTÜRLEŞME, ÖRGÜTSEL DESTEK, ÖDÜLLER VE ÖRGÜTSEL BAĞLILIK

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Bu çalışma yakın zaman önce bir başka bankayı satın alan bir Türk bankasında yapılmıştır. Kesit araştırması olarak tasarlanan bu çalışmaya Ankara ve İstanbul'dan toplam 237 kişi katılmıştır. Araştırma sonuçları önerilen iki kavramsal modelden ikincisini destekler niteliktedir. Buna göre, örgütsel faydanın örgütsel bağlılık üzerindeki etkisi, örgütsel özdeşleşme ve diğer grubun kültürel çekiciliği aracılığıyla gerçekleşmektedir.

Araştırma sonuçları ayrıca satın alan bankaya mensup üyelerin satın alınan banka üyelerine oranla birleşme sonrası banka hakkında daha pozitif tutumlar geliştirdiklerini ortaya koymuştur. Bu tutumlar, yeni banka ile özdeşleşme ve yeni bankaya bağlılık, birleşme nedeniyle ortaya çıkan örgütsel faydalardaki değişiklikler olarak sıralanabilir. Ayrıca, satın alınan banka çalışanlarının satın alınan banka çalışanlarına oranla birleşmeden önceki bankalarıyla daha fazla özdeşleştikleri ortaya çıkmıştır.

Sonular birleşme sonrası banka hakkında en pozitif tutumları birleşme sonrası k lt rleşme tipini “entegrasyon” olarak algılayan alıřanların geliřtirdiklerini, en negatif tutumların ise birleşme sonrası k lt rleşme tipini “ayrılık” olarak algılayan alıřanlar tarafından geliřtirildiğini ortaya koymuřtur. Buna ek olarak, katılımcılar genel olarak “ayrışma” tipini kavramsal olarak “entegrasyona” yakın algılamışlardır. Son olarak, “asimilasyon” u k lt rleşme tipi olarak algılayan alıřanlar beklenenden daha negatif sonular g stermişlerdir.

Bu alıřmanın en  nemli katkıları (1) sosyal kimlik ve k lt rleşme literat rlerini b t nleřtirerek bunu řirket birleşme ve satın almalarına uygulamak (2), (2) literat rdeki iki rakip kavramsal modeli karřılařtırmak, ve (3) hipotezleri gerek yařam ortamında test etmek olarak sıralanabilir.

Anahtar Kelimeler: řirket Birleşmeleri ve Satın almaları, Sosyal Kimlik, K lt rleşme,  rg tsel Baėlılık, Algılanan  rg tsel Destek,  d l

To my Family

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CHAPTER 1

INTRODUCTION

In this introductory chapter, the purpose and the significance of this study will be presented with a summary of the general model and hypothesis which were proposed and tested in the study.

1.1 The Aims and the Scope of the Study

Companies engage in mergers and acquisitions (M&A) in order to increase profitability and competitiveness of their firms. Although M&A activities have occurred at an accelerating pace, more than half of them do not appear to be successful in financial terms (Brouthers, van Hastenburg & van den Ven, 1998; Cartwright & Coopers, 1992). Given the increasing interest in mergers and acquisitions and their low success rates, considerable research from diverse perspectives has focused on the factors that influence the success or failures of the M&As. The “people problem” is identified as an important factor that contributes to the success or failure of M&As because the implementation of the merger depends on people, in other words, employees (Marks & Mirvis, 2001). Changes in employee benefits following the merger, degree of identification with the new organization, and problems with adjustment to the culture of the post-merger organization have

been named among factors that influence employee commitment. Commitment, in turn, influences work related behaviors (Mathieu & Zajac, 1990)

The present study investigates employees' perceptions of organizational benefits, acculturation mode, organizational identification and commitment in the case of a recent bank merger in Turkey, namely the merger between Emlak and Ziraat banks. The study has three aims.

The first aim is to examine the relationships between organizational commitment, organizational identification, cultural attractiveness of the merger partner, and changes in organizational benefits following the merger. The relationships between these variables will be examined in the light of two competing conceptual models discussed in the literature. The first one proposes that organizational identification together with cultural attractiveness of the merger partner and changes in organizational benefits directly and independently predict organizational commitment whereas the second model suggests that the relationship between changes in organizational benefits and organizational commitment is mediated by organizational identification and cultural attractiveness of the merger partner.

The second aim is to compare the differences between the responses of employees from the two pre-merger banks. Specifically, the responses examined in this study include identification with pre-and post- merger banks, commitment to the post-merger bank, perception of status difference between the two pre-merger organizations, and perception of changes in organizational benefits following the merger.

The third aim is to compare employees who perceive the post-merger organization as representing the cultures of the two pre-merger organizations to different degrees in terms of the above responses. Specifically, perceptions of

employees perceiving the culture of the merged organization as the combination of important elements from two pre-merger organization (integration), the total domination of one of the two cultures (assimilation), the continuation of two former cultures without interaction (separation), and a new and totally different form either of the former cultures (deculturation) will be compared.

1.2. Significance of the Study

This study will contribute to the literature in three ways. First, this study focuses on M&A in banking industry. The banking regulation act of 2000 started a period of frequent and rapidly acquired or merged banks and the experiences suggest that mishandling of the M&A process leads to employee problems and ultimately to undesirable financial consequences. Banking industry seldom analyzes the employee reactions although employees are influential in the shaping of Turkish economy. Hence, this study has the potential to impact the success of bank M&As through analyzing employees of banking sector.

Second, pre-merger group membership is a strong predictor of post-merger employee responses. Particularly, employees from acquired organization are more likely to feel threatened due to their lower status and sense of discontinuity of their pre-merger identity and produce the most negative responses to the merger (Terry & O'Brien, 2001).

Finally, from an acculturation perspective, the mode of acculturation may predict cultural adaptation or cultural conflict within the merged entity. Specifically, integration mode cause adaptation and bring in favorable reactions in terms of employees identification and commitment whereas separation produces the most

negative responses (Elsass & Veiga, 1994). Thus, this study progresses current work on the “people side” of M&A studies by applying social identity and acculturation perspectives.

In the following chapter, definition, types, motives, and history of mergers and acquisitions are presented. Next, organizational commitment, perceived organizational support, organizational identification, social identity, organizational culture and acculturation literatures will be reviewed and hypotheses will be presented.

CHAPTER 2

LITERATURE REVIEW

2.1. Overview of Mergers and Acquisitions

2.1.1. Definition of mergers and Acquisitions

The terms merger, acquisition and consolidation are sometimes used interchangeably. However, there are some differences. A merger refers to the combination of two organizations into one larger organization. Such actions are commonly voluntary and often result in a new organization name (often combining the names of the original organizations). An acquisition, on the other hand, is the purchase of one organization by another. Such actions can be hostile or friendly and the acquirer maintains control over the acquired one (Pernsteiner, 2003). Mergers and acquisitions differ from a consolidation, which is a business combination where two or more companies join to form an entirely new company. All of the combining companies are dissolved and only the new entity continues to operate (Pernsteiner, 2003).

Mergers and acquisitions (M&A) are regulated with the Number 146-151 of Turkish Commercial Law. According to Turkish Commercial Law, the merger and acquisitions of companies is defined as follows:

“Article 146- A merger is composed of two or more firms forming a new commercial company by merging or accession of a one or more commercial firm with an existing firm.”¹

Here two distinct mergers types are suggested referring to mergers and acquisitions separately:

1. Mergers: The assembly of two firms for leading to the foundation of a new firm
2. Acquisitions: The merger of the two firms under the legal identity of one of the firms, while the other firm loses this identity

2.1.2. Types of Mergers and Acquisitions

Economists classify M&As into three groups: (1) horizontal, (2) vertical, (3) conglomerate (Gaughan, 1996).

2.1.2.1. Horizontal Mergers

A horizontal merger is the merger of two or more companies operating in the same field and in the same stages of process of attaining the same commodity or service. That is, a horizontal merger is the combination of firms that are direct rivals selling

¹Original Turkish Version: *Madde 146- Birleşme, iki veya daha fazla ticaret şirketinin birbiriyle birleşerek yeni bir ticaret şirketi kurmalarından veya bir yahut daha fazla ticaret şirketinin mevcut diğer bir ticaret şirketine iltihak etmesinden ibarettir.*

substitutable products within overlapping geographic markets. The aim in this type of merger is to eliminate a competitor company, to increase market share, buy up surplus capacity or obtain a more profitable firm. Besides such benefits, this type of mergers has the drawbacks of restricting new entries into the market and harming outsiders due to diminishing competition (Gaughan, 1996). Boeing-McDonnell; Chase Manhattan-Chemical Bank, Staples-Office Depot in the world and Osmalı Bankası-Garanti Bankası, Aria-Aycell in Turkey are the examples of horizontal mergers.

2.1.2.2. Vertical Mergers

A vertical merger is a merger in which one firm supplies its products to the other. A vertical merger results in the consolidation of firms that have actual or potential buyer-seller relationships. The firms in vertical mergers operate at different stages of production process where buyer-seller relation or manufacturing at different stages of the same product is possible (Gaughan, 1996).

There are two types of vertical mergers.

1. 'Backward or upstream vertical integration' in which the primary motive is usually to move towards a dependable source of supply. Dependability can be determined not just in terms of supply availability, but also through quality maintenance and timely delivery considerations. Having timely access to supplies helps companies to provide their own products on a reliable basis (Coyle, 2000).

2. 'Forward downstream vertical integration' in which the primary motive is to move towards the final customer, who may be another industrial user or the public. This type of mergers secure outlet for sale of products (Coyle, 2000). That is

to say, companies make use of the combined strength of their marketing functions. They obtain some advantages in the marketing of products and services. An example of a vertical integration is the merger of Milda Mecmua Gazete with Seka Aksu İşletmesi in 2003. Milda Mecmua Gazete is the producer of a newspaper in Turkey while Seka Aksu İşletmesi is the producer of raw material of the newspaper. Other examples include Time-Warner-TBS, Disney-ABC Capitol Cities. In Turkey, Kordsa Kord Bezi Sanayi – Dusa Endistriyel İplik Sanayi are the examples of vertical mergers.

Vertical mergers do not change the market structure directly. However, they may pave way to significant entry constraints. If any merger creates restrictions for other companies in respect to entering the market or supply sources, this can be quite constraining upon competition.

2.1.2.3. Conglomerate Mergers

A conglomerate merger occurs when unrelated enterprises combine. Conglomerate mergers result in joining of firms which compete in different product markets, and which are situated at different production stages of the same or similar products. That is to say, neither the products nor the inputs of these merging firms are the same. Conglomerate mergers result in significant advantages gained by the merging firms since they are the fastest means of entry into different activity fields in the shortest possible time span. Moreover, they reduce the financial risks by “not putting all the eggs in one basket” (Gaughan, 1996).

There are three types of conglomerate mergers:

1. Product Extension: In this type of mergers, firms that sell non-competing products and use related marketing channels of production processes merge. Examples include the mergers between AOL-Time Warner, Phillip Morris-Kraft, Pepsico-Pizza Hut.
2. Market Extension: In such mergers, merging firms manufacture the same products or services but market them in different territorial markets. That is to say it is a merging of two firms selling competing products in separate geographic markets. In this way the firms get the opportunity to market their products in a wider range. Examples include the mergers between SBC Communications-Pasific Telesis, Time Warner-TCI
3. Pure Conglomerate Mergers: In such mergers, there is no relationship between firms neither in respect to manufacturing nor in respect to marketing and mergers are realized between firms operating in entirely different fields. Examples include the merger between BankCorp of Amerika-Huge Electronics, AT&T- Hartford Insurance.

2.1.3 A Brief History of Mergers and Acquisitions

Mergers and acquisitions (M & As) in the world have been occurring in waves, with different motives behind each wave.

Four periods of high merger activity have taken place in the history of mergers and acquisitions. These periods were basically shaped by the activities of companies in United States. These periods are characterized by cyclic activity, that is, a high level of mergers is followed by a period of relatively fewer mergers. The first wave occurred in the early part of the 20th century, when companies undertook M&As with the explicit objective of dominating their industries and creating monopolies. The second wave coincided with the rising market of 1920s, when firms again embarked on M&A as a way of extending their reach into new markets and expanding their market share. The third wave occurred in 1960s and 1970s, when firms focused on acquiring firms in other lines of business, with the intent of diversifying and forming conglomerates. The fourth wave occurred in the mid 1980s, when firms were acquired primarily for restructuring assets. In some cases, acquisitions were financed by debt and were initiated by the managers of the firms being acquired. This wave ended as deals became pricier and it became more difficult to find willing lenders. The fifth wave occurred towards the end of 1990s when firms focused on the acquired firms with the aim of restructuring. In other words, a change in the company's ownership structure occurred either in order to address a debt problem or for achieving change in its line of business. (Gaughan, 1996). Currently, mergers and acquisitions are undertaken mostly as a part of strategic restructuring process by the companies that have the objective of being one

of the top three companies in the world (Tanyılmaz, 2003). The mergers and acquisitions of different waves are given in Table 1.

In Europe, M&As have been a well-known instrument because of various developmental periods since the beginning of 20th century. However, the progress of mergers and acquisitions were different than that of America. The first wave was during 1920s, when companies used M&As with the aim of assuming and taking advantage of producing at a lower cost per unit, which resulted in a great increase in production. A second growth period of M&As occurred during 1960s due to the internationalization of the economy. The third boom was produced principally in UK during 1980s. During this wave, the key point was market evolution for corporate control. The fourth wave occurred in early 1990s, when companies focused on M&As to adapt the single European Market. The last wave in Europe started in recent years with the introduction of common currency, Euro, to the common market (Ensico & Garcia, 1996).

Table 1: Waves in the History of Mergers and Acquisitions in USA²

Wave	Underlying factors	Characteristics
1897-1904: First Wave “Merging for Monopoly”	<ul style="list-style-type: none"> • Technological developments • Rapid Economic Expansion • Corporation laws relaxed • Voluntary code of ethical behavior 	<ul style="list-style-type: none"> • Horizontal mergers • Heavy manufacturing industry
1916-1929 Second Wave Merging for Oligopoly	<ul style="list-style-type: none"> • Post-World War I economic boom • Technological developments • Government encouraged firms to work together 	<ul style="list-style-type: none"> • Produced fewer monopolies, rather oligopolies, vertical mergers, and conglomerates (usually related) • Primary metals, petroleum products, food products, chemicals, and transportation equipment were the most active M&A industries • Used significant proportion of debt to finance deals
1965-1929: Third Wave “Conglomerate Mergers”	<ul style="list-style-type: none"> • Booming economy • Rising stock prices • High interest rates • Tough antitrust enforcement • Management science developments • Financial manipulations 	<ul style="list-style-type: none"> • Primarily conglomerate mergers • Some bidders smaller than targets • Primarily owners financed-investment banks did not play central role • Aerospace most active industry, while industrial machinery, auto parts, railway equipment, textiles, and tobacco also active • Executive managers with vision to create conglomerate

² Source of the Table: <http://www.sml.hw.ac.uk/somjdb/malectures/Lecture%207.doc>

Table 1: Waves in the History of Mergers and Acquisitions in USA (continued)

Wave	Underlying factors	Characteristics
1984-1990: Fourth Wave “The Mega merger”	<ul style="list-style-type: none"> • Expanding economy • Technological developments • International competition • Deregulation • Increased pension fund assets • Financial innovations • Investment banking industry much more competitive • Failure of conglomerates 	<ul style="list-style-type: none"> • Size and prominence of acquisition targets much greater than before • Oil and gas industries dominant in early 1980s, while pharmaceuticals most common in late 1980s; airlines and banking also common • Foreign takeovers became common • Heavy use of debt to pay for acquisitions • More hostile takeovers
1993-? : Fifth Wave “Strategic Restructuring”	<ul style="list-style-type: none"> • Expanding economy, rising stock prices • Technological developments • Globalization • Reduced government regulation 	<ul style="list-style-type: none"> • Emphasized longer-term strategy rather than immediate financial gains • More often financed with equity than debt • Consolidation in the telecommunications and banking industries

In Turkey, the first merger occurred in 1874, when Avusturya-Osmanlı Bankası and Bank-i Osman-i Şahane merged. Up until 1980s, no significant M&A activities were observed in the country (<http://www.insankaynaklari.com>). However, in 1980s, the economic stabilization program aimed at transition to free market economy and the implementation of liberal politics affected even the big companies negatively. Turkish business world found itself in a “sequestration, bankruptcy and concordat” triangle because of the insufficient preparation for the free market economy. In order to escape this triangle, some companies were involved in M&A activities. Thus, mergers and acquisitions started to become important for Turkey in this period (<http://www.insankaynaklari.com>).

In 1990s, the effects of economic crises that occurred in rather short intervals (1991, 1994, 1997, and 2001) caused a lot of firms to be purchased or to become partners with foreign firms in order to deal with the financial difficulties brought about by these economic crises. This is also the trend today (Tanyılmaz, 2003).

Today, firms operating in a wide variety of sectors from banking to food tend to have partnerships with foreign investors basically because of the problem of depleting stockholder’s equity. Nevertheless, there is no doubt that increasing global competition accompanied by the growth strategies of the international firms is also effective in increasing M&As activities in Turkey. This force is also valid for Turkish firms, which merge with or acquire companies in other countries as well. (Tanyılmaz, 2003).

For the Turkish firms, there are basically three types of mergers and acquisitions (Tanyılmaz, 2003).

1. M&As between Turkish Firms: These commonly occur within the scope of a big holding company. Examples include Sabancı: Teksa-Bossa, Koç Holding: Arçelik-Ardem
2. M&As between Turkish firms and foreign firms in Turkey: These commonly occur in cement (Cementir – Çimentoş), packaging, chemistry (Dupont - Kordsa), heating-air conditioner (Carrier – Alarko), food (Nestle – Missüt), automobile (Ford – Otosan), and white goods (Bosch Profilo – Simens Grubu)
3. M&As between Turkish firms and foreign firms abroad: These commonly take place in Bulgaria, Romania and Turkish Republics. (e.g. Arçelik-Bloomberg, Borusan-Bamesa..etc)

M&As in Turkey are realized by Sabancı Holding, Koç Holding, Doğuş Group and Doğan Holding to a large extent (Çoban, 2003). According to M&A report prepared by Earnings & Young Inc. (2004), the largest transaction in 2004 occurred between Akfen-Doğuş-Tüvsüd with a value of \$ 613.5 million. The second largest M&A occurred with \$358.6 where Enka İnşaat purchased three natural gas cycle power stations from Intergen. The report (Earnings & Young Inc., 2004) indicates that whereas the total value of M&As activities in Turkey was \$831 in 2003, it reached \$1.2 billion in 2004. When the distribution of the industry of the target firms is considered, energy, tourism, mining, food, energy and financial sectors take the lead both in terms of value and the number of transactions.

2.1.4. The Motives for Mergers and Acquisitions

Although the motives behind M&As are complex and present problem of classification, the underlying factor in all these motives is the concept of synergy. In physical sciences, synergy refers to the types of reactions that occur when two substances combine to produce a greater effect together than what the sums of the two operating independently account for. Simply stated, synergy refers to the phenomenon of $2+2=5$ (Coyle, 2000). In M&A context, synergy translates into the ability of a corporate combination to be more successful than the sum of the individual successes of the two separate firms. That is, the combined firm is worth more than its parts. The explanation for this occurrence is that usually the firms were not performing up to their potential prior to merging or that benefits were achieved by the merger. Following this logic, companies are motivated to involve in M&As in order to create synergies (Coyle, 2000).

2.1.4.1. Economies of Scale

One of the main sources of synergy is the operating synergy, the cost reduction that occurs as a result of a corporate combination. This reduction may occur as a result of *economies of scale*—decreases in per unit costs that result from an increase in the size or scale of the company operations. Some sources of these gains arise from increased specialization of labor and management as well as the more efficient use of equipment and accesses to lower price input, which may not be possible at low output levels. A good example of economies of scale arises in the merging of two

manufacturing companies (Gaughan, 1996). For example, whereas a small car producer firm might pay a higher price for its inputs, bigger companies buy their inputs in bulks for a lower price than a small firm that buys its inputs in small batches. Moreover, if a small car producer makes only a few hundred cars of a particular type, the producer must use production techniques that are much more labour-intensive and much less automated than those employed to make hundreds of thousands of cars in a particular model produced by bigger firms. That is, costs are high with low production runs and labor intensive production techniques. Thus, firms merge and take advantage of producing larger volumes of outputs in order to obtain lower costs.

2.1.4.2 Economies of Scope

Another type of operating synergy is economies of scope, the ability of a firm to utilize one set of inputs to provide a broader range of products and services (Gaughan, 1996). Scope economies are usually the most common motive in the bank M&As such that when financial institutions merge, they can share inputs to offer broader range of services such as trust department or economic analysis units. Smaller banks might not be able to afford the cost of these departments. Inputs such as computer systems can be shared to process a wide variety of loans and deposit accounts. Whether these benefits are true or whether they constitute a sufficient reason for the increased number of bank mergers that have taken place in the recent period of bank deregulations is a different issue (Günay, 2003).

2.1.4.3. Decrease in Cost of Capital

Another source of synergy is financial synergy, which refers to the impact of a corporate merger or acquisition on the cost of capital to the acquiring firm or merging partners. This is because a larger company has certain advantages. For example, it enjoys better access to financial markets, tends to experience lower costs of raising capital, probably because it is considered to be less risky than a smaller firm is (Gaughan, 1996).

2.1.4.4. Acquisitions of specific Assets

The acquisition of specific assets is also often a reason for M&As. This asset may be a source of raw materials, a good management team or good research and development facilities. In addition, it is generally quicker and cheaper to acquire new products, new facilities or a national distribution network by merging with a company that already has developed them (Gaughan, 1996).

2.1.4.5. Risk Reduction

A company may reduce the cyclical nature of its earnings and cash flow by acquiring or merging with another company whose earnings and cash flows exhibit a different cyclical pattern so that the probability of bankruptcy is reduced (Gaughan, 1996). For example, two firms, one producing swimming suits and the other producing winter

skiing wear merge. Then, even if it is not snowing, the new entity can compensate the lack of cash flow by the sale of winter skiing wear for the cash flow from swimming suits. That is, the probability of bankruptcy for the merged entity decreases.

2.1.4.6. Managerial Motives

A manager's motive for merger is often to increase the acquirer's dominant position in the market and to defend existing market positions. Managers themselves might also be interested in M&As due to prestige, which is immeasurable but undoubtedly greater in a larger firm (Brouthers, van Hastenburg & van den Ven, 1998).

In order to achieve the above objectives, corporations are increasingly involved in M&A activities such that in 2004 alone nearly 15,000 deals were consummated at a value of \$1.9 in all over the world. Of this, 5765 and 6218 deals at values of \$498.57 billion and \$357.62 were realized in US and Europe respectively. As for Turkey, 91 M&A took place at a value of \$ 2.53 billion in 2004. This amount was \$1.39 billion in 2003.

Merger activities are expected to be even more prevalent for the organizations all around the world, including Turkey during the next decade. According to the study conducted by Earnst& Young in 2004, the managers and owners of the biggest 250 companies expects that M&A activities will increase considerably in the next five years. (Earns&Young, 2004). Can Deldağ, the manager of institutional financing department at Earns & Young states that “with the realization that Turkey will start negotiations with European Union, expectations about Turkey is increasing and

foreign investors sees Turkey as a very profitable place to make investments. Thus, we expect that the cash surplus of the developed countries will flow the Turkey in the next five years”. (www.insankaynaklari.com)

2.1.5. Consequences of Mergers and Acquisitions

Successive surveys show that the return on stock value is neutral or negative for the acquiring firms (Hartley, 2003). Specifically, Tetenbaum (1999) reported that about 60 % to 80% of all M&A's are failures in terms of their ability to outperform stock market and the effects are similar whether the survey is made at the time of the merger, or one or five years later. Again, a study by consulting firm Booz Allen & Hamilton, which examined 78 deals over a two-year period, found that 53% of those mergers fell short of their expectations. Where the acquiring company purchased a target company of comparable size, the failure rate was 67% (Hartley, 2003). AT&T purchase of NCR or, more recently, the challenges faced by Daimler-Benz mergers with Chrysler or the disappointment of HP and Compaq merger are the more visible failures of the recent times (The Economist, 2000).

Given this low success rates, considerable research from diverse perspectives has focused on the factors that influence the success or failures of the M&As. Although there are different categorizations of these perspectives, Larsson and Finkelstein's (1999) categorization given below is one of the most comprehensive ones.

1. Economy and Finance Perspective: The researchers in the economy field are primarily interested in the efficiency impact of the M&A on the economy through economies of scale and market power. These researchers measure the success of M&A with accounting numbers by considering their profit margins

and return on equity. The finance scholars typically study M&A performance using stock market based measures. Event studies are used to examine the performance impact of the acquisitions and changes in stock prices that occur over a short period of time (e.g. Flanagan & O'Shaughnessy, 2003; Ramawamy & Waegelein, 2003; Rao, Mahajan & Varaiya, 1991).

2. **Strategy Perspective:** Researchers in this field study M&A as way of corporate growth and diversification. They examine the types of acquisitions that are more successful for an acquiring firm. They focus on the similarities and complementarities of M&A partners to see whether the proper strategic fit occurs. The variables mostly used in this field are size, market share, pre-acquisition profitability and growth. Problems of measurement and convenience sampling are given as reasons for inconsistent findings (e.g., Marks & Mirvis, 2001; Datta & Pinches, 1992; Jemision & Sitkin, 1986; Lubatkin, 1983).
3. **Organizational Behavior Perspective:** Researchers in this field are interested in post combination integration process emphasizing both culture clash and conflict resolution (e.g., Buono, 2003; Vaara, 2003; Birkinshaw, Bresman & Hakanson, 2000; Veiga et al., 2000).
4. **Human Resource Management Perspective:** Primary interest in this field is the psychological effects of M&As on individuals such as feelings of tension, alienation, uncertainty. Moreover, the importance of communication, and the career planning are the interest of researchers in this field (e.g., Millward & Kyriakidou , 2004; Ford & Harding, 2003; Marks & Mirvis, 2001).

The organizational behavior and human resource perspectives indicate that it is basically the “people problem” that contributes to the success and failure of M&As. As the value creation of M&As mainly depends on the implementation process where people problem plays a key role (Jemision & Sitkin, 1986), the financial results of M&As can not be explained without considering the human and organization side of M&As. The people problem not only prevents the creation of synergistic values but also it can be a direct cause of M&A failure (Larsson & Finkelstein's, 1999).

Much of the extensive literature in this field examines individual and collective employee reactions. Individual employee reactions have been investigated primarily from psychological (Van Knippenberg et al., 2002; Ashforth & Blake, 1989) and career perspectives (Millward & Kyriakidou, 2004), while collective reactions have been viewed from a cultural perspective (Nahavandi & Malekzadeh, 1988).

Why are employee reactions to M&As so negative? First, identity problems are an important factor. Specifically, the failure among participants to identify and define themselves in terms of this new organization can impede the success of the merger through its impact on the support for the organization (Mael & Ashforth, 1992). Second, M&As can severely affect pay and benefit of employees, worker's attitudes, working conditions, career plans of employees and lay offs, all of which cause stress and lead to lower productivity and reduced satisfaction and commitment to the merged organization (Appelbaum et al., 2000a). Finally, culture clashes are not uncommon during the integration process as two organizations, each with established routines, come together (Schraeder & Self, 2003). Differences between organizational cultures of the merging partners have been associated with lower commitment, and increased turnover among acquired executives (Lubatkin et al.,

1998) and lower financial success (Datta, 1992). Hence, there is considerable support for the idea that employee reaction, either as individual or collective opposition to the new organization is associated negatively with M&A performance in terms of lower commitment, lower productivity absenteeism, and turnover. However, there are very few studies that consider these employee reactions from an integrative perspective (e.g. Larsson and Finkelstein, 1999). Thus, in the next section an integrative literature review regarding organizational commitment, organizational benefits, organizational identification and acculturation will be presented.

2.2. Organizational Commitment

Organizational commitment has been defined and measured in various ways either as a uni-dimensional or multi-dimensional constructs over the years (see Table 2). Although there are several definitions of commitment, they all make reference to the fact that commitment (a) is a stabilizing or obliging force, (b) gives direction to behavior (Meyer & Herscovitch, 2001). Among these definitions Allen & Meyer's (1991) three component model of commitment is the most acknowledged one. This framework states that employee commitment to the organization is a psychological state characterized by three components: affective, normative and continuance commitment.

Table 2: Definitions of Organizational Commitment

Buchanan, 1974, p.533	“... a partisan, affective attachment to the goals and values of the organization, to one’s roles in relation to goals and values and to the organization for its own sake, apart from its purely instrumental worth”
Mowday et. al., 1979, p.226	“...the relative strength of an individual’s identification with and involvement in a particular organization”
Wiener., 1982, p.421	“...the totality of normative pressures to act in a way which meets organizational goals and interests.”
O’Reilly & Chatman, 1986, p.493	“...the psychological attachment felt by the person for the organization; it will reflect the degree to which individual internalizes or adopts characteristics or perspectives of the organization.”
Allen & Meyer, 1990, p.14	“...a psychological state that bind the individual to the organization (i.e. makes turnover less likely)”
Mathieu & Zajac, 1990, p.171	“...A bond or linking of the individual to the organizations”

Affective commitment (AC) refers to individuals’ identification with, involvement in and emotional attachment to an organization. That is to say “employees with a strong affective commitment remain because they want to do so.” (Allen and Meyer, 1990, p.3). Normative commitment (NC) reflects a feeling of loyalty toward the organization based on the perceived obligation to do so. It consists of “the totality of internalized normative pressures to act in a way that meets organizational goals and interests” (Weiner, 1982, p.421). It involves a belief that “employees with strong normative commitment remain because they feel they ought to do so.” (Allen and Meyer, 1990, p.3). Continuance commitment (CC) is viewed as a tendency to maintain membership in the organization based on the recognition of the cost associated with departure. In this view an employee is committed to the

organization because the cost of leaving is high. “Employees with strong continuance commitment remain because they feel they need to do so” (Allen and Meyer, 1990, p.3). Myer et al. (2001) suggest that these components as dimensions of commitment construct, not as types of commitment.

2.2.1 Organizational Commitment and Culture

The three component commitment model was developed in North America (Meyer & Allen, 1991) and most studies were conducted in individualistic cultures (e.g. Meyer et al., 2001; Bateman & Strasser, 1994) However, many researchers also examine the model in other cultural contexts as well. For example, Ko, Price & Mueller (1997) evaluated the validity of the three-component model using a sample of South Korean employees working in two different organizations. They found that the reliability of continuance commitment scale was very low. Specifically, Cronbach alphas were 0.58 and 0.64 for the two samples in this study. Moreover, they found lack of discriminant validity between affective and normative commitment indicating that there is a considerable overlap between concept of normative commitment and affective commitment in South Korea. Nevertheless, Lee, Allen & Meyer (2001) conducted two additional studies in South Korea and concluded that after refining according to the South Korean culture, three-component commitment scale is likely to generalize to non-western cultures as well.

Furthermore, Wasti (2003) measured affective, normative, and continuance commitment in Turkey developing a scale, which consists of items translated from the original measures and items that she wrote specifically for the Turkish context. These scales were found to be reliable with Cronbach alphas of 0.84, 0.82 and 0.70

for affective, normative and continuance commitment respectively. The results of confirmatory factor analysis also supported three-factor structure. However, she argued that normative commitment was especially important in collectivist cultures where behaving according to norms and obligations is more valued to maintain social harmony.

2.2.2. Psychological Bases of Organizational Commitment

O'Reilly and Chatman (1986) propose three distinct psychological bases of organizational commitment: compliance, identification, and internalization. Compliance refers to person's attachment for the sake of gaining rewards or advancement of some sort. Identification occurs when a person accepts influence to establish or maintain satisfying relationships. Finally, internalization refers to person's acceptance of group attitudes and behaviors as congruent with his or her own.

2.2.3. Antecedents, Correlates and Consequences of Organizational Commitment

Organizational Commitment as a concept has received a great deal of empirical study as an antecedent, as a correlate, and as a consequence of other work related variables of interest (Mathieu & Zajac, 1990).

As an antecedent, organizational commitment was found to be significantly and negatively related to turnover (Meyer & Herscovitch, 2001; Kacmar, Carlson & Brymer, 1999; Mathieu & Zajac, 1990; Reicher, 1985) and to a lesser extent, with other withdrawal behaviours such as decreased performance and increased

absenteeism and tardiness (Mowday, Porter & Steers, 1979). Moreover, organizational commitment relates positively with organizational citizenship behavior, willingness to help another, and ability to adopt unforeseeable occurrences such as economic crises (Dessler, 1999) and negatively with stress and work- family conflict (Meyer & Herscovitch, 2001).

Results from several studies indicate that organizational commitment correlates positively with work motivation, job involvement, job satisfaction, occupational commitment (Mathieu & Zajac, 1990; Meyer & Herscovitch, 2001) and negatively with stress (Mathieu & Zajac, 1990).

A larger body of work focused on organizational commitment as a consequence and several important classifications of antecedent variables have emerged (Reicher, 1985). Accordingly, antecedents of organizational commitment can be examined under four headings: individual level variables (including demographic and background variables such as age, gender, marital status, education, organization tenure and position tenure), organizational level variables (dissatisfaction with the bases of organizational advancement, organizational dependability, organizational size, organizational centralization), job level variables (skill variety, task autonomy, job challenge, job scope, task identity, opportunity for social interaction, feedback, increases in rewards, increases in investment size) and role level variables (role ambiguity, role conflict and role overload) (Ok, 2004; Mathieu & Zajac, 1990).

In their recent meta-analysis, Meyer and Herscovitch (2001) extended the findings of Mathieu & Zajac (1990) findings and demonstrated that demographic variables play a relatively minor role in the development of organizational commitment, regardless of its form. By contrast, work experiences and among these

especially perceived organizational support (POS) had the strongest positive correlation with affective commitment. Moreover, Gakovic & Tetrick (2003) showed that regardless of the work status (part time or full time), POS is significantly and positively related affective normative and continuous commitment.

Given that how an organization treats its employees may have substantial influence on their attitudes towards both their jobs and toward the organization itself, exploration of the linkages between employee perceptions of rewards and the support they receive from their organization (POS) and organizational commitment is of considerable interest both theoretically and practically (O'Driscoll & Randall., 1999).

2.2.4. Perceived Organizational Support (POS) and Organizational Commitment

Perceived organizational support (POS) is defined as people's "global beliefs about the extent to which the organization cares about their well-being and values their contribution" (Eisenberger et al, 1986, p.501). Employees develop general beliefs about the extent to which an organization is supportive of its employees.

Eisenberger et al. (1990) observed a positive relationship between affective commitment and the extent to which employees believe the organization provides them with needed support, values their contribution, and cares about their well-being. This is because people are likely to commit to an organization when they feel that the organization is committed to them. Thus, POS is likely to lead to reciprocation in the form of commitment from employees (Fuller et al, 2003). Moideenkutty et al (2001) also found a positive relationship between POS and affective commitment. Moideenkutty et al (2001) conducted this study in India and they assert that POS is

an especially important work-related variable in collectivist cultures because in collectivist cultures organizations are expected to care about the well being of their employees.

2.2.5. Satisfaction with Rewards and Organizational Commitment

The rewards offered by an organization may have powerful impact on employees' attitudes towards their jobs and the organization for which they work (O'Driscoll & Randall, 1999). Rewards can be categorized as intrinsic and extrinsic. Intrinsic rewards are those that exist in the job itself such as variety, challenge, and autonomy. Extrinsic rewards include pay and fringe benefits, promotion and advancement opportunities, and physical working conditions (O'Driscoll & Randall, 1999). O'Driscoll & Randall, 1999) suggest that intrinsic rewards will be more salient for affective commitment whereas extrinsic rewards will be more likely to be important for continuance commitment.

2.3. Organizational Identification

Organizational identification, an important predictor of organizational commitment (Pratt, 1998), is often conceptualized based on Social Identity Theory (e.g. Ashfort & Mael, 1989; Terry & O'Brien, 2001; Van Knippenberg et. al., 2002). Therefore, I first introduce social identity theory and then talk about organizational identification.

2.3.1. Social Identity Theory

Social identity theory (developed by Tajfel and Turner, 1979) is a general social psychological theory of group processes and inter-group relations. The theory focuses on the meaning of self. Specifically, it proposes that the self-concept is composed of two components: personal identity and social identity. Personal identity involves idiosyncratic beliefs about one's skills, abilities, attractiveness and intelligence. It emphasizes individual uniqueness that distinguishes oneself from others. Social identity, on the other hand, is "the aspect of the individuals' self-concept which derives from their knowledge of their membership in a group (or groups) together with the value attached to that membership" (Hornsey & Hogg, 2002). That is to say, personal identity comes from the specific attributes of the individual such as personal competence and talent while social identity comes from group memberships with which people are associated. According to Social Identity Theory, individuals strive to achieve or maintain a high level of self-esteem and self-esteem can be bolstered by either enhancing personal identity (individual accomplishments) or by enhancing collective identity (group accomplishments). When social identity is threatened it is proposed that an attempt may be made to restore the threatened social identity. To restore a threatened social identity, people may engage in collective effort directed to improve the negative standing of the group (social change/social competition strategy). If this is not possible, they may choose to compare their group with other groups using dimensions on which the in-group compares favorably. Thus, people inflate their evaluations of in-group members and deflate their evaluations of out-group members to create favorable relative in-group out-group comparisons. As a result, the status of the group is

enhanced (social creativity strategy). Or else, people can individually terminate their membership in the threatened group and search for more prestigious organizations to join (individual mobility strategy). Thus, a threatened social identity can be enhanced in at least three ways: (1) by collectively changing the position of the group in the status hierarchy, (2) by changing the status relationship between the two groups by making favorable inter-group comparisons, (3) through an individual mobility strategy in which a person leaves the original group in search of membership in more prestigious groups (Hornsey & Hogg, 2002).

Although social identity theorists assert that it is important for people to feel that their groups are regarded positively, they emphasize that it is also important for people to see their group as distinct from other groups (Hornsey & Hogg, 2002). The need for identity distinctiveness may even be present when the group has negative standing (Hornsey & Hogg, 2002). Especially when uncertainty is high, people identify more strongly with distinctive groups even when these groups have lower status (Hornsey & Hogg., 2002).

2.3.2. Definition of Organizational Identification according to Social Identity Theory

Organizational identification is a type of social identification where the individual derives meaning of the self from the organization he/she belongs. Applying Tajfel's (Haslam, 2001), definition of social identity, organizational identification can be defined as "the aspect of an individuals' self-concept, which derives from his/her knowledge of his/her membership of an organization together with the value, attached to that membership" (p.28) . In their comprehensive review, Ashfort & Mael (1989) defined organizational identification as a "perceived oneness with an

organization and the experience of organization's success and failures as one's own" (pp.21). According to this definition, organizational identification is not a goal acceptance or positive-only attachment (Mael & Ashforth, 1992). Organizational identification is distinguished from occupational identification, which is not organization specific (Mael & Ashforth, 1992). That is to say, organizational identification is an individual level variable that concerns the cognitive and emotional connections an individual develops with an organization in relation to his or her self-concept (Mael & Ashforth, 1992).

Worshel et al. (2000) assert that organizational identification is not solely based on a single identity consideration but is guided by several identity concerns acting simultaneously. Their studies on identification within organizations generally focus on four distinct levels: personal, intra-group, inter-group, and organizational level. According to Worshel et al. (2000), personal level identity relates to personal identity whereas intra-group, inter-group and organizational level identities are different types of social identities. Intra-group identity is the role the individual has within their group. Inter-group identity involves categorization of world into groups and the determination of personal membership. A functional department, or the whole organization, for example, might be types of inter-group level identity. Within a M&A situation, employees' previous organizations as well as their present organization may be a powerful source of inter-group level identity (Buono, Bowditch & Lewis, 1985; Hogg & Terry, 2000). Finally, organizational level identity refers the identity of the organization itself among other groups. This identity establishes the character of the group, which is relatively enduring and lives longer than the individual members (Pratt, 1998).

2.3.3. Multiple Organizational Identities

Individuals may have as many social identities as their group memberships. People who are working in an organization may derive their social identity not only from the organization but also from their work group, department, union, lunch group, age cohort and so on. (Ashforth & Mael, 1989). Demographic groups such as gender and races have also been described as primary sources of identity for people in organizations. (Randel, 2002). Typically, multiple identities are viewed as ordered in relation to one another such that one identity can be said to be more or less salient. (Stryker and Serpe, 1994). Although one identity is often more salient than the others, multiple identities can be salient simultaneously (Randel, 2002). In other words, whereas there might be several identities that are salient simultaneously, there should be one identity, which is most salient. Identity salience is in part affected by contextual factors such as numerical distinctiveness and clarity of a category (Randel, 2002).

Multiple identities are natural consequences of mergers and acquisitions. Viewed from a social identity perspective, merger is a categorization of two social groups as one new group. Since this new group incorporates one's former pre-merger group and it is the "old" identity. Nevertheless, it also incorporates another group, the merger partner, thus, implies a "new" identity. That is, both pre-merger and post-merger organizational identities happen to be present at the same time. Since social behaviors like favoring the in-group against other groups depends on how much people define themselves in terms of that group membership, identification with the post-merger organization is of considerable importance. As Dutton, Dukerich & Harquail (1994) stated "the stronger the organizational identification, the greater a

member's cooperation with others members of the organization" p.225. In addition, Jetten, O'Brien & Trindall (2002) showed in their longitudinal study in an Australian government organization that in contrast to sub-group identification, superordinate group identification produced less negative feelings about the upcoming organizational restructuring and superordinate organizational identification protected organizational commitment.

2.3.4. Loss of Organizational Identity

Losing organizational identity is a cognitive state that impacts the individual's own identity. "Previous organizational status, loyalty, commitment and hopes and promises for the future no longer count, or are considered to be honored." (Catwright and Cooper, 1996, p.48). That is to say, employees may find it difficult to feel loyalty or commitment to a new organization if they do not feel identified with the new organization. So, an official identity change may not always mean that employees also change their identity accordingly.

The loss of identity is one of the most common problems in mergers and acquisitions, but it has not been examined in the mergers and acquisition literature until recently. Ashforth & Mael (1989) identified some of the side effects of mergers that are associated with decreased identification with the group. These are reduced satisfaction, loss of mentors, increased turnover, reduced organizational commitment, and reduced job involvement.

Van Knippenberg et al. (2002) explained acquired employees' low organizational identification by a 'sense of continuity'. According to their argument, post-merger organizations are more likely to be shaped by the characteristics of

acquiring organizations because their dominant positions strongly influence the new organization's image and culture. Therefore, members of the dominant organization do not perceive pre- post-merger organization differences. Thus, it is easy for them to maintain a 'sense of continuity'. Employees of acquired organizations, on the contrary, do not perceive a 'sense of continuity' and their identification with a new organization is lower than members of acquiring organizations. Influence by a more powerful group, as is common in mergers and acquisitions, can result in conflict and resistance due to the perceived threats to self-esteem and one's sense of security resulting from organizational identification (Salk, 1995).

2.3.5. Predictors, Correlates and Consequences of Organizational Identification

Organizational identification as a predictor has been shown to be related with a variety of variables. Specifically, it relates positively to emotional well-being, support for and commitment with the organization (Terry & O'Brien., 2001; Mael & Ashforth, 1992), job satisfaction, job involvement, job motivation (van Knippenberg & van Schie, 2000), organizational citizenship behaviours (Dutton et al., 1994), intra-group cohesion, cooperation, altruism, positive evaluation, and loyalty to the organization (Mael & Ashforth, 1989) and negatively with personal stress (Appelbaum, 2000a), turnover intentions motivation (van Knippenberg & van Schie, 2000), and turnover (Mael & Ashforth, 1995). For example, Ashforth and Mael (1992) found that low levels of alumni identification with the alma mater were associated with an decrease in charitable contributions to the alma mater, lower attendance at alma mater functions, and lower satisfaction with the alma mater.

There are several factors that increase the tendency to identify with the organization. These antecedents of organizational identification can be examined at the organizational and individual levels (Ashforth & Mael, 1989). Social identity theory largely emphasizes organizational level antecedents. Among them is organizational distinctiveness, which is positively related to identification even if the distinctiveness is negatively valued (Ashforth & Mael, 1989). Moreover, group size, similarity and prestige where people identify more strongly with relatively smaller, similar and high status groups (van Knippenberg & van Schie, 2000, Doosje, Spears & Ellemers, 2002) are other organizational level predictors of organizational identification. Furthermore, inter-organizational competition fosters and intra-organizational competition inhibits organizational identification (Mael & Ashforth, 1992).

At the individual level, organizational identification is positively related to organizational tenure, existence of mentor, satisfaction with organization, and sentimentality; and is negatively related to number of comparable organizations joined (Mael & Ashforth, 1992). Moreover, individual predisposition to identify as a personality variable is positively related to organizational identification (Mael & Ashforth, 1992). That is, some people can identify more easily than other people.

2.3.6. Status and Organizational Identification

The status relationship between two groups refers to each group's prestige within the social system (Ashforth & Mael, 1989). However, the groups' relative status can vary along many dimensions. For example, in an organizational context, higher

status may come from financial success, brand name, degree of innovation...etc. Thus, status relationship between groups is not always clear-cut because one group may have higher status on one dimension while the other group has higher status on other dimensions (Hogg & Terry, 2000).

In addition, status is often confounded with power because groups with greater power usually have higher status. Whereas status refers to prestige, power centres on the issue of control of others. (van Knippenberg et al., 2002). In a merger, the acquiring group usually has higher status than the acquired group because it is frequently a larger and more financially successful organization. However, the acquired company may have higher status on some important dimensions. For example, the acquired company could be higher on status regarding marketing, technology, or innovation. Power, however, almost always rests with the acquiring company since acquiring company has control over the acquired company. Thus, although power may not vary in an organizational merger, that is, the acquirer company is the more powerful company; the status relationship between the merging groups may vary on important dimensions (van Knippenberg et al., 2002).

Status relationship between the merging groups is an important variable that may influence employee reactions to mergers. Several studies examined the influence of relative group status on inter-group relations during and after M&A (Terry & O'Brien, 2001; Hornsey & Hogg, 2000). Due to power difference and usually relatively low status, employees of acquired organizations usually feel more threatened (Mottolla et al., 1997), and identify less with and commit less to a new organization (Terry & O'Brien, 2001).

2.3.7. Perceived Organizational Support & Satisfaction with Rewards and Organizational Identification

According to social identity theory, self-worth is related to standing of one's group relative to other groups. This implies ranking between groups. However, it does not deal much with within-group relationships that support or refute an identity (Deaux & Martin, 2003). However, social identification can not be conceptualized only as a cognitive categorization process at the inter-group level. Rather, social identities are also supported or damaged by a network of social relationships within the groups (Worshel et al., 2000; Ethier & Deaux, 1994). According to Worshel et al. (2000), people desire to maintain a positive self-image not only at the inter-group level as SIT mainly suggests, but their in-group standing is at least as important. For example, an individual may be a leader or follower or a high status person within a group and doing poorly compared to other members in the group can damage his identity, lead to dissatisfaction, and even to the desire to leave the group. Therefore, the role the individual has within the group and the relationship with the group may influence identification with the in-group (Worshel et al., 2000).

Especially, in the collectivist cultures, group representations involve a network of interpersonal connections such that people's in-group identification and their evaluation of individual members are closely correlated (Yuki, 2003). "These cultures are based largely on "promotion of cooperative behaviours and maintenance of relational harmony within groups" (Yuki, 2003, p.168). Therefore, in collectivist cultures people are concerned more about having a high level of knowledge about relational structures within in-groups and their specific points within this structure than depicting their in-groups as depersonalized entities (Yuki, 2003).

In an organizational context, organizational identification defines the relationship between organizations and their members and identity perceptions can be seen as a basis for social construction of meaning (Pratt, 1998). Since perceived organizational support (POS) is a source of information for employees about their employment relationships (Eisenberger et al., 1986), it may also have a relationship with organizational identification.

Organizational actions form the basis for employee perceptions of organizational support (Eisenberger et al., 1986). That is, employees' perceptions of social exchange with their organization reflected in POS may also play a role in individual's identification process with the particular organization (Eisenberger et al., 1986). For example, Phillips (2001) showed that organization based self-concept mediates the effects of POS on employee commitment and turnover intentions. That is to say, organization may foster identification by expressing concern for the individual, recognizing individual contributions to the organization, advocating member benefits, organizational practices associated with POS (Eisenberger et al., 1986).

In the context of mergers and acquisitions, merger-induced changes often require substantial professional and personal re-adjustment and can seriously challenge the process of identification (Millward & Kyriakidou., 2004). The reason is that a merger or acquisition signifies a major social change in which the meaning of individuals' positions within the group are transformed independently of their involvement and employees feel threatened because of this discontinuity especially if their job, role, and status also change (Millward & Kyriakidou., 2004).

Millward & Kyriakidou (2004) propose that maintenance of continuity is prerequisite to self-enhancement and that in the context of mergers and acquisitions

this continuity implies self-enhancement opportunities such as higher salaries and better positions in the new entity. Thus, it is very likely that employees' perceptions of organizational support and their degree satisfaction with changes in rewards in the merged organization may influence their feelings of threat and may increase or decrease their identification with the new organization.

2.4. Organizational Identification versus Organizational Commitment

A particular problem in the field is the confusion of organizational commitment with the concept of organizational identification. Some theorists equate organizational identification and organizational commitment whereas others view them as two distinct concepts.

Among the authors who see identification as an integral part of organizational commitment are Buchanan (1974) who defines identification as one of the three components of organizational commitment along with loyalty and job involvement. Similarly, O'Reilly et al (1986) also used identification as one of the psychological bases of organizational commitment. Myer and Allen (1991) also define affective commitment as "the employees' emotional attachment to, identification with and involvement in the organization (pp.62). Thus, affective commitment and identification is seen as the same construct.

However, there are strong theoretical arguments for the distinct conceptualizations of organizational identification and organizational commitment. According to Ashforth and Mael (1989), organizational identification is a part of the self-concept while commitment is not. That is, an individual could identify with an organization yet not with its values and beliefs or an individual may feel aligned with

the organization's values and beliefs but may not have a sense of belongingness to the organization. Also, internalization and commitment can be transferred to other organizations with similar values and beliefs but identification is specific to an organization. Furthermore, instruments on commitment, such as Organizational Commitment Questionnaire, measure internalization of beliefs and values and behavioral intentions and feelings about the organization but not the sense of belongingness that is meant by identification (Ashforth & Mael, 1992).

Second, according to social identity and self-categorization theory, organizational identification is very flexible and depends on the salience of the group and the relations of the group with other groups. However, commitment is viewed as an attitude, which is more stable and enduring (Gautam, Dick & Wagner, 2004).

Third, identification and commitment have different sources such that identification does not depend on any economic reasons while commitment may be influenced by exchange-based, calculative reasons for staying or leaving the organization (Pratt, 1998; Fuller et al., 2003; Gautam, Dick & Wagner, 2004).

Fourth, according to Gautam, Dick & Wagner (2004) there has to be actual exchange and affiliation between the individual and the coworkers and supervisors in order to develop organizational commitment. However, social identity theory proposes that interaction is not needed for organizational identification to occur. In fact, even if there is no physical existence of an organization such as virtual organizations, identification may still occur.

Finally, Pratt (1998) distinguishes organizational identification by noting that attitudinal measures of commitment are equated with the "acceptance" of organizational values and beliefs whereas identification is equated with "sharing" or "possessing" organizational values and beliefs.

2.5. Identification and Culture

Identification represents a psychological connection between the individual and the organization, resulting in adoption of the defining characteristics of the organization as defining characteristics of oneself (Dutton, Dukerich & Harquail, 1994; Ashforth & Mael, 1989). Conceptualization of identification thus emphasizes the importance of an individual's group membership in the organization as a means of enhancing one's self-esteem (Ashforth & Mael, 1989). As each member may have different understandings of what defines the organization and how others perceive it, identification may represent different thing to different members (Dutton Dukerich & Harquail, 1994).

While most research has conceptualized identification as a psychological connection individuals have with their employing organizations, a prestigious place to work, organizational identification literature has ignored the cultural aspects of organization. According to Ashforth and Mael (1989, p.2), identification “calls to mind a family of existential motives often alluded to in the literature on organizational behavior, including searches for meaning, connectedness, empowerment and immortality.” Ashforth and Mael (1989) argue that employees form organizational identifications to fulfill these needs and their social identities. However, in many cases individuals may not fulfill these needs only through their membership in an organization but rather through their identification with the values, beliefs and assumptions that make up the organization's culture.

Although culture has been defined in many different ways, majorities of these definitions emphasize the collectively shared, historically based characteristics of culture. For the purposes of this study, culture is formally defined as “a pattern of

shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and therefore to be taught to new members as the correct way to perceive, think and feel in relation to those problems “(Schein, 1992, p.12).

Schein (1992) asserts that culture can be analyzed at different levels, where the term “level” refers to the degree to which the cultural phenomenon is visible. Schein (1992) defined the three levels of culture as artifacts, espoused values and basic underlying assumptions.

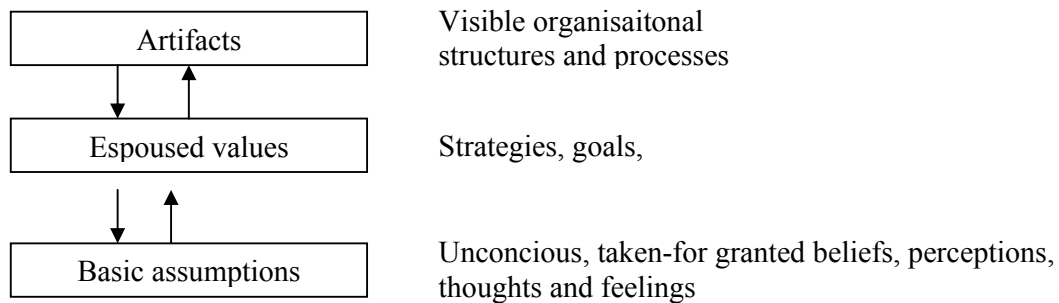


Figure 1: Levels of Culture (adapted from Schein, 1992)

Artifacts are visible organizational structures that include all the phenomena that one sees, hears, and feels when one encounters with a group with an unfamiliar culture. Artifacts include the visible products of the group such as the architecture of its environment, its language, its technology and products, observable rituals and ceremonies and so on. Espoused values are the values and philosophies of the organization that predict well enough what people will *say* in a variety of situations but which may be not in line with what people will actually *do* in situations where those values should, in fact, be operating. Basic assumptions are taken-for-granted beliefs, perceptions and thoughts that members neither confront nor debate. These are very difficult to change. Once a set of shared basic assumptions is formed, it can

function as a cognitive defence mechanism both for the individual members and for the group as a whole (Schein, 1992).

Organizational culture is an important factor in determining individual's commitment, productivity, and longevity with the organization (O'Reilly, Chatman & Caldwell, 1991). Here, the concept of congruency is important because individuals tend to select organizations they perceive as having similar values to their own organization (O'Reilly Chatman & Caldwell, 1991). Good person-group fit forms psychological bond that is not easily broken (Larsson & Lubatkin, 2001).

The total power of this fit can be seen when two different cultures are brought into close contact with each other, as typically the case in mergers and acquisitions (Larsson & Lubatkin, 2001). Dissimilar organizational cultures can produce discomfort, which can lower commitment and cooperation of acquired employees (Very, Lubatkin & Calori, 1996). However, the extent to which the new firm's culture addressees the normative expectations of the two former organizations, differences between the two cultures may indicate a source of acculturative attraction, not stress. (Very, Lubatkin & Calori, 1996).

2.5.1. Acculturation

Acculturation refers to those phenomena which result when groups of individuals having different cultures come into continuous first hand contact, with subsequent changes in the original culture patterns of either or both groups (Berry 1980). That is to say the process of acculturation involves the mutual influence of two autonomous cultural systems. However, usually the flow of culture is not balanced but is stronger in one direction than the other. This imbalance often leads to the view that

acculturation is really the process of one culture dominating another. Despite the potential imbalance, the concept still refers to a two-way flow (Berry, 1980).

Berry's (1980) model focuses on the impact of dominant colonial and contemporary societies in North America on indigenous people and ethnic groups. His assertion was that initial contact and change are likely to result in conflict. He suggests adaptation as a means of conflict reduction within an interacting system. Specifically, he proposes a three-phase course to acculturation involving contact, conflict, and adaptation. He mentions that without contact there is no acculturation; so this condition is centrally important. Conflict takes place only in the case of some degree of resistance. Finally, adaptation refers to a variety of ways in which conflict is reduced or stabilized.

If adaptation is viewed as reduction of conflict, then it is necessary to examine different types of adaptation. These types include adjustment (moving toward), reaction (moving against), and withdrawal (moving away).

Berry (1980) discussed acculturation in relation to two questions: Is it considered to be of value to maintain one's identity and characteristics? And, is it considered to be of value to maintain relationships with larger society/group? In this manner, four types of acculturation are identified: assimilation, integration, rejection, and deculturation. He posited that there are two positive varieties of acculturation: assimilation, which refers to relinquishing cultural identity and moving into larger society/group and integration (maintenance of cultural integrity as well as movement to become an integral part of a larger society/group). Berry's model became influential in forming a model of acculturation that can be applied to organizational mergers and acquisitions.

2.5.2. Nahavandi and Malekzadeh Model

Acculturation is inherent in all organizational mergers and provides an important perspective in the study of mergers. Accordingly, following Berry's model, Nahavandi and Malekzadeh (1988) developed a model that focused on adaptation and acculturation in mergers. They proposed that the degree of congruence between the parent and the target firm's mode of acculturation will affect the level of stress. This can facilitate or harm the implementation of the merger. They suggested a new approach for increasing the understanding of underlying elements that affect the implementation of mergers (Nahavandi and Malekzadeh, 1988).

Strategies for implementation depend on the type of merger, motive for the merger, and the degree of relatedness. The implementation strategy will determine the extent to which systems within the organizations (production, marketing, scheduling, managerial experience and compensation systems) will be combined and the degree to which the employees will interface. They suggested that asking employees of the acquired firm the extent to which they seek positive relations with the acquirer and the extent to which they perceive their own culture to be valuable and worth retaining will provide information about modes of acculturation. The culture, more specifically, the degree to which acquirer company is multicultural and the relatedness will determine the mode of acculturation.

Nahavandi and Malekzadeh (1988) stressed that the extent of change imposed on employees who are different from what the firm considers as acceptable indicates the degree of multiculturalism. If employees of the acquired organization are forced to change practices and behaviours, the acquirer can be considered unicultural. They

proposed that many of the merger problems can be minimized if both organizations agree on the mode of acculturation.

Nahavandi and Malekzadeh (1988) noted the differences between anthropological acculturation and organizational acculturation. Specifically, unlike individuals experiencing social acculturation who may not have the option of withdrawing from contact, employees have the option of not acculturating and may choose to leave the organization if acculturation is too stressful.

In this study, four acculturation categories are adapted the Nahavandi and Malekzadeh Model (1988). Their original model consists of two dimensions: (1) to what extent do members of the organizations involved in mergers value preservation of their own culture and (2) to what extent do members of the organizations see the other's culture as attractive (See Figure 2). These two dimensions constitute a contingency table with four acculturation categories. These are 1.integration, 2. Assimilation, 3. Separation, 4. Deculturation. Each of these dimensions will be explained below:

1. Integration: Integration is triggered when the members of the organizations involved in a merger want to preserve their own culture and identity and remain autonomous and independent. As a result, the organizational members involved try to maintain many of the basic assumptions, beliefs and cultural elements, and organizational practices and systems that make them unique. At the same time they are willing to be integrated into the other's culture. Overall, integration leads to some degree of change in both organization's cultures and practices. The flow of cultural elements is balanced because neither tries to dominate the other.

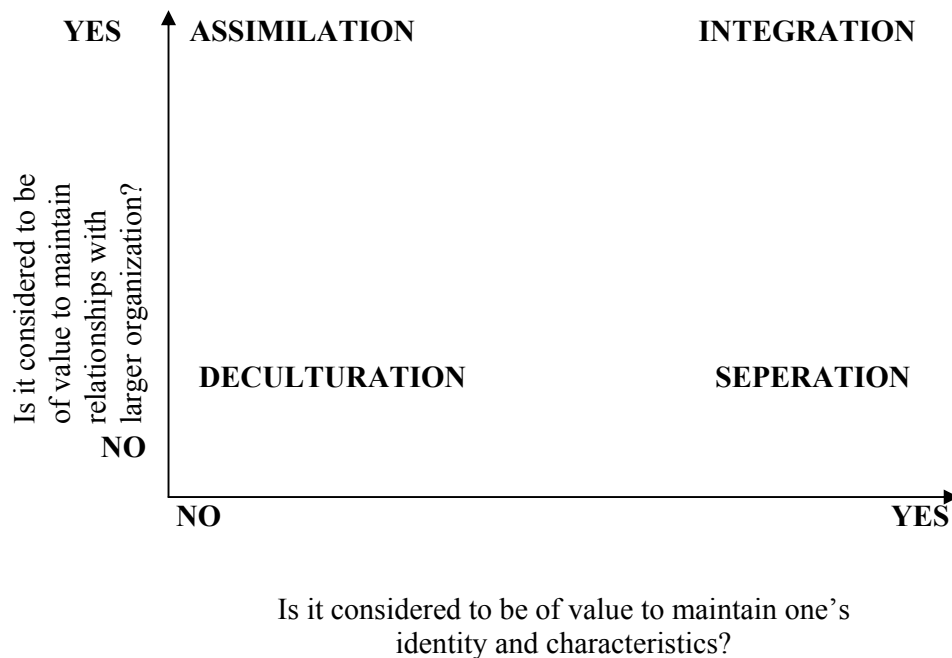


Figure 2: Types of Acculturation (adapted from Berry, 1997)

2. Assimilation: Assimilation is a unilateral process in which one group willingly adopts the identity and culture of the other (Berry, 1997). This occurs when the members of one organization willingly relinquish their culture and adopt the culture and practices of the other. This often occurs when the members of one organization perceive that their culture and practices are dysfunctional and hindering the organization's performance. Under such a situation, the culture of one organization dominates the other.
3. Separation: Separation as a mode of acculturation involves attempting to preserve one's culture and practices by remaining separate and independent from other group (Berry, 1997). Separation is likely to take place when members of one organization want to preserve their own culture and organizational systems and

refuse to become assimilated with other organization in any way or at any level. Members of organizations involved in mergers try to remain totally separate from the other culture. Separation means that there will be minimal exchange between the two original organizations.

4. Deculturation: Deculturation occurs when the members of organizations involved in mergers do not value their own cultures and organizational practices and systems, but do not want to be assimilated into the other's (Berry, 1997). The members of organizations involved may experience a great deal of collective and individual confusion, feelings of alienation, loss of identity, and acculturative stress; and the organization is likely to disintegrate as a cultural entity (Berry, 1997).

2.5.3. Predictors and Consequences of Acculturation

Acculturation in mergers and acquisitions is the outcome of a cooperative process where beliefs, assumptions and values of two independent organizations form a jointly determined culture (Larsson & Lubatkin, 2001). If two organizations agree on the preferred mode of acculturation, lower level of acculturative stress and resistance results and acculturation becomes a smoother process (Nahavandi & Malekzadeh, 1988). Acculturative stress is defined as “a generalized physiological, and psychological state of the organism, brought about by the experience of stressor in the environment, and which requires some reduction (for normal functioning to occur), through a process of coping until some satisfactory adaptation to the new situation is achieved” (Berry et al., 1987). There is often a particular set of stress

behaviours such as lowered mental health status (specifically confusion, anxiety, and depression), feelings of alienation, heightened psychosomatic symptom level. Furthermore, identity confusion may occur as a result of contact with another group (Berry et al., 1987). In the case of mergers and acquisitions, these symptoms are usually conceptualized as “merger syndrome”, and include feelings of uncertainty and insecurity in role expectations, and acts of rejection and non-compliance with the acquiring organization (Elasass & Veiga, 1994). In addition, if acculturation process is not managed properly, it results in lower commitment and cooperation (Buono, Bowditch & Lewis, 1985) and greater turnover among acquired managers (Lubatkin et al., 1999) and decline in the performance at the acquired firm (Very et al., 1997).

As for the predictors of successful acculturation, several studies were conducted in the context of mergers and acquisitions. Larsson and Lubatkin (2001) conducted a meta-analysis consisting of 50 mergers and acquisitions (23 US domestic, 15 Swedish domestic and 12 Swedish cross border) and found that social control in terms of introduction programs, training, cross visits, celebrations other socialization rituals undertaken by acquiring firms is the single most important predictor of acculturation regardless of merger relatedness, relative organizational size, and differences in nationalities and culture.

Perceived organizational support (POS) and organizational rewards may also strengthen the level of acculturation by facilitating the acquisition implementation process. Since perceived organizational support and organizational rewards indicate that the organization values the employees and care for them, they may function as the social support, as used in immigration studies, and help successful acculturation process. For instance, Safdar et al. (2003) studied 166 Iranian immigrants in Canada and found that perceived in-group and out-group social support predicted in-group

and out-group behaviors through their impacts on modes of acculturation. They showed that perceived social support facilitates the acculturation process by helping individuals to cope with the pressures of living in a bicultural environment. Similarly, satisfaction with organizational rewards may restructure inter-group relations towards cooperation and increase the level of acculturation (Elsass & Veiga, 1994).

2.6. The Background of the Merger Investigated in the Present Study

The present study was undertaken in Ziraat Bankası, which recently acquired Emlak Bankası and gave its name to the new organization.

2.6.1. About Ziraat Bankası

Ziraat Bankası is currently the oldest and largest public bank operating in Turkey. It was instigated in 1867. During the first half of the 19th century, foreign banks began their activities in the Ottoman Empire with the adaptation of western models in trade and finance. During that period, there was insufficient capital to found a national banking system and the existence of national banks as a source of capital was unthinkable. This situation was especially damaging for farmers because they constituted the majority of the population and, since they did not have a financial institution to apply to, they had to borrow money with high interest rates from creditors. Mithat Paşa (1822-1884) took the first steps to overcome these difficulties in 1863 and initiated the reorganization of Homeland Funds and was responsible for

formulation of Homeland Funds Regulations in 1867. Homeland Funds was the first agricultural financial institution founded by the state and operated with state guarantee. (www.ziraat.gov.tr)

After operating for 138 years, following the economical crisis in February 2001, Ziraat Bankası, like other public banks, began to be administered by a common board of the directors. Concurrent with this development, Ziraat Bankası was involved in the restructuring of public banks. Organizational structure of the bank was changed totally by taking into account the requirements of contemporary banking and competition in international banking. Marketing notion was added to the operational banking-dominated understanding of the bank. Part of the authority was delegated to the thirty seven selected central branches chosen. Personnel of the Bank was hired under the Private Law rules. Moreover, in July 2001 Ziraat Bankası merged with Emlak Bankası, which was then closed (www.ziraat.gov.tr)

2.6.2. About Emlak Bankası

Emlak Bankası was established by Atatürk in 1926 with the objective of providing credit for construction initiatives. Although it had operated successfully for twenty years, due to the ever developing Turkish economy and construction industry, the Bank had to be reconstructed in order to meet increasing demands of its banking operations. Hence, in 1946 Türkiye Emlak Kredi Bankası Corporation was established.

In 1998, Emlak Bankası merged with Anadolu Bankası, which was basically focusing on increasing foreign trade. In 1992, it also acquired Denizcilik Bankası.

However, since 1980s and early 1990s witnessed political corruptions reflected especially in banking sector, mismanagement of Emlak Bankası during this period caused many fiscal problems such as break downs in internal fiscal structure and deterioration of credit sources. As a result, Banking Regulation and Audit Institution of Turkey decided with the No. 5508 sentence to liquidate the bank by transferring all its operations to Ziraat Bankası in 2001.

Prior to the merger, Ziraat Bankası had a total of 29,667 employees and this number was 8,639 for Emlak Bankası. After the merger, Ziraat Bankası was restructured and the total number of employees was 21,871 levels in 2004. The total number of employees were reduced by half mainly through layoffs and retirements and the ratio of the number of employees whose former bank was Ziraat Bankası to the number of employees whose former bank was Emlak Bankası became 6 to 1. Of the 21,871 employees, 18,630 were from the former Ziraat Bankası while the remaining 3,241 were from Emlak Bankası. When the distribution of these employees to departments is viewed it is seen that General Presidency employs 2,858 people and the bank's 24 regional offices operating in 21 cities and 1155 branches operating in 81 cities of Turkey employ a total of 19,013 employees.

2.6.3. The organizational structure of the merged organization

The top management of Ziraat Bankası consists of one President and fourteen Vice Presidents who administer five functional departments: marketing, support services, credits, risk management and control, other profit centers. Marketing function has two vice presidents, one from former Emlak Bankası and one from former Ziraat

Bankası. Support Services function has three vice presidents, all of whom are from Ziraat Bankası. Credits department has two vice presidents, of whom one is from former Emlak Bankası and the other is new to the organization. Risk Management and Control function has three vice presidents, two of whom are from former Ziraat Bankası and the other is new to the organization. Lastly, other profit center has two vice presidents, one of whom from Treasury and the other one is new to the organization. Organizational chart of the Ziraat Bankası is given in Figure 3.

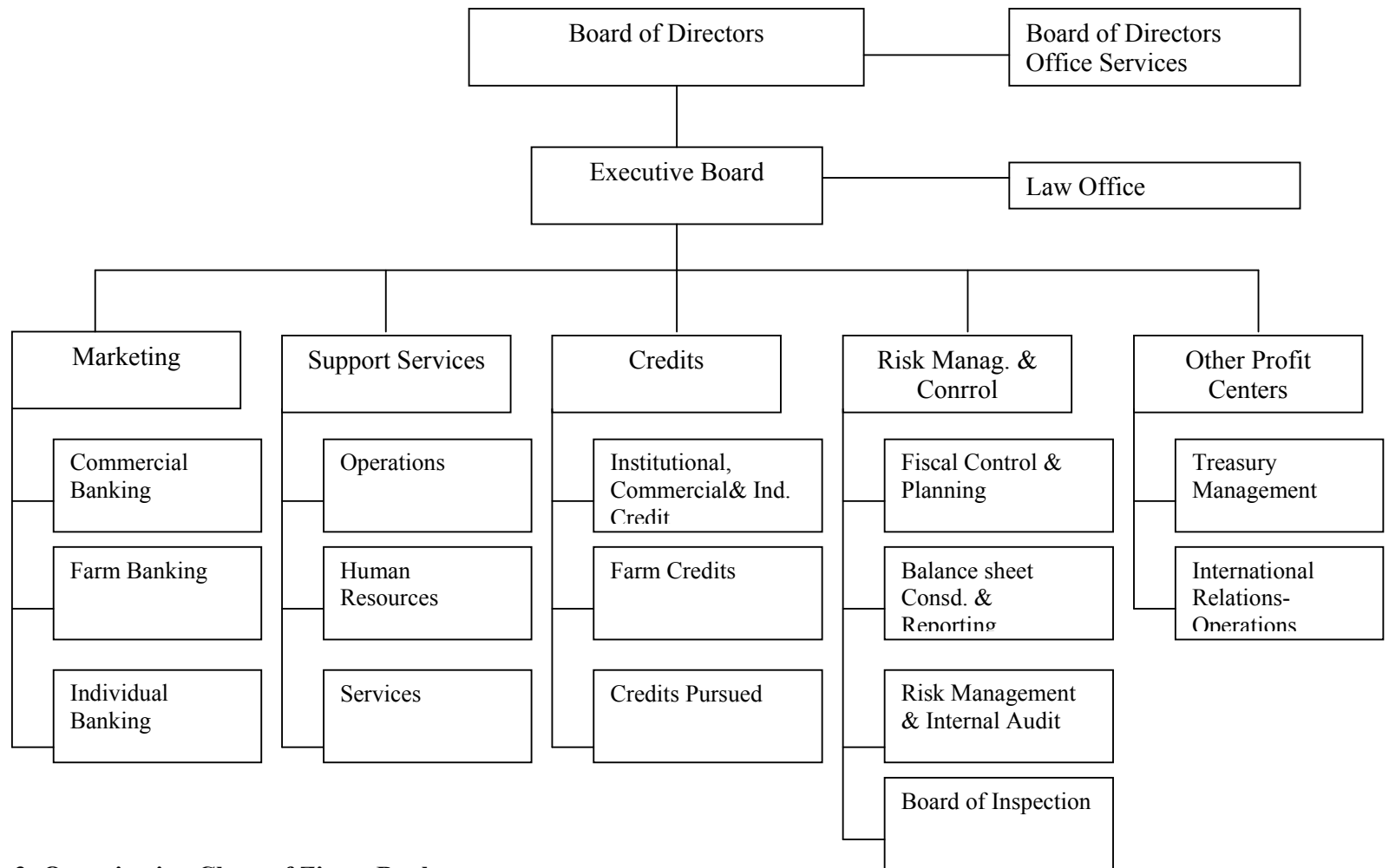


Figure 3: Organization Chart of Ziraat Bankası

2.7. Expectations of the study

2.7.1. Relationships between Organizational Commitment, Identity Factors, and Organizational Benefits

It was argued that commitment is an important variable that might be one important determinant of organizational performance because commitment to one's organization is associated with several positive organizational outcomes such as reduced absenteeism, turnover, pro-social behaviors and increased job performance (Mathieu & Zajac, 1990). Whitener (2001) stated that "highly committed employees experience greater three-year total returns to shareholders (112%) than companies with low employee commitment (76%) p.1. Especially in the case of M&As, it is more important since the result of studies show that employees' commitment declines significantly as a direct result of merger activity (Appelbaum, 2000b).

One line of research focuses on individual rewards and benefits as the main determinants of organizational commitment. These researchers assert that employees infer organizational intent, concern and commitment to themselves based on the perceived organizational support (POS) as well as the intrinsic and extrinsic rewards (material and symbolic rewards...etc) supplied by organizational resources (Eisenberger et al., 1986). Based on the norm of reciprocity and social exchange, employees repay these benefits by showing positive attitudes and behaviors. For example, Cheung (2000) examined the relationship between organizational commitment and organizational support of the employees across eight organizations and concluded that an employee's commitment is strengthened when organization provides a supportive climate focused on well being, encouragement, good working

conditions. Hence, POS and satisfaction with organizational rewards is expected to have an independent effect on employees' job involvement and organizational commitment (affective and continuous) (e.g. O'Driscoll & Randall., 1999).

On the other hand, there are also arguments supporting the idea that organizational identification mediates the relationship between perceived organizational support and other individual rewards and organizational commitment. For example, Philips (2000) demonstrated that the extent of identification with the organization mediated the relationship between employee perceptions of organizational support and commitment. The idea is that POS is likely to increase people's organizational commitment because it enhances their social identity (Fuller et al, 2003). It is argued that POS and intrinsic and extrinsic rewards are associated with employees' inferences regarding "the extent to which the organization values them and appreciates their existence" (Fuller, 2003 p. 789). In other words, individuals assess their status within groups by evaluating the extent to which group members treat them positively. Thus, POS may meet both the distinctiveness and the self-enhancement needs of employees. According to this view, meeting such needs induces employees to incorporate organizational membership into their identity (Eisenberger et al., 1986). Thus, POS and organizational rewards have an indirect effect on commitment through identification.

Studies originating from Social Identity Theory also indicate that organizational commitment is basically determined by organizational identification. SIT literature emphasizes the importance of self-categorization and feeling of belongingness to organization for the development of organizational commitment. Hogg & Terry (2000) assert that, especially in the case of mergers and acquisitions, employees who strongly identify with the new (superordinate) organization will

develop positive attitudes and behaviors for the new organization regardless of whether they are from acquirer or acquired organization.

Attractiveness of out-group is another concept that should be examined together with the level of organizational identification in order to understand identity concept. According to Social Identity Theory, the role of cognitive representations of contact situation is a critical factor determining the outcome of inter-group interactions. That is, if the two groups redefine themselves in terms of a superordinate category, attitudes towards former out-group members become more positive, consequently, a more harmonious environment ensues (Dovidio et al., 2003). Mutual acculturation focuses on the value or importance one places on voluntary interactions with other groups in coordination with maintenance of one's cultural identity (Berry, 2001).

Identification with the superordinate category is similar to attractiveness of the out-group in acculturation literature (Molina, Witting & Giang, et al., 2000). In this sense, attractiveness of the out-group shows employee's willingness to spend voluntary time with people from the other group (acquirer or acquired) while identification with the new organization shows the extent to which an employee feels that he or she is a part of the larger group (superordinate group). That is, people who are willing to acculturate may not necessarily perceive the other group as belonging to the superordinate group (merged organization) but value the relationship because members of the other group may provide opportunities to enrich one's experiences and develop one's identity in various ways (e.g. expertise, interaction style, ways of working...etc) (Molina, Witting & Giang, 2004). So, a successful merger can be conceptualized in part as a function of whether employees form identifications with the post-merger organization and in part with the extent to which employees of pre-

merger groups view the other pre-merger group as attractive for acculturation. Hence, organizational identification may be considered together with the attractiveness of out-group in predicting employee's commitment to the merged organization.

To summarize, regardless of their pre-merger group membership, in the context of mergers and acquisitions, employees would like to see that the new entity values them and allocates its resources accordingly. Hence, positive changes in organizational support and rewards may either directly increase employees commitment to the new organization (e.g. Eisenberger et al., 1986; O'Driscoll & Randall, 1999) or indirectly through its effects on organizational identification (e.g. Phillips, 2000; Garkovic, 2004) and attractiveness of the other merger partner (e.g. Elsass & Veiga, 1994). These arguments lead to competing models illustrated in Figure 4 and Figure 5.

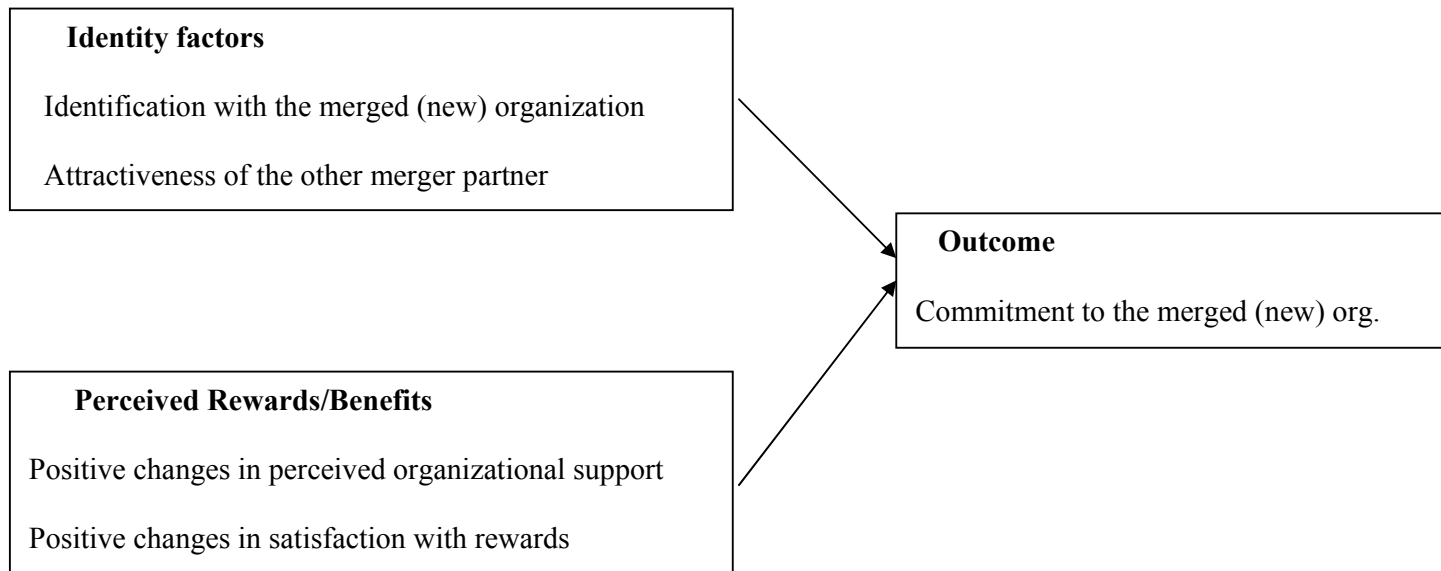


Figure 4: Research Model I

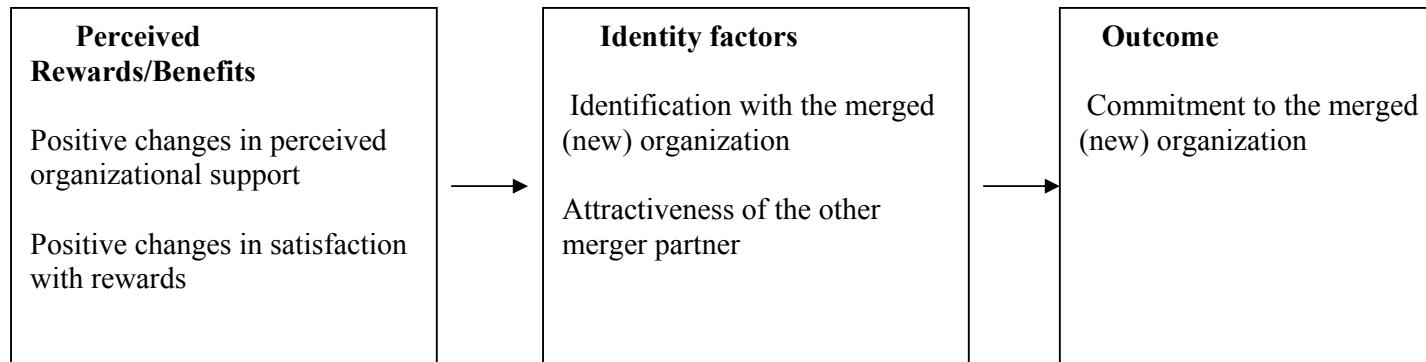


Figure 5: Research Model II

2.7.2 Comparison of the Former Members of Ziraat and Emlak Banks

Pre-merger group membership (acquired or acquiring) may influence all merger related variables because in most mergers, the culture of the merged organization tends to be more similar to the acquiring than the acquired organization; that is, more of the practices and norms of the acquiring company are retained while the acquired company must often abandon its name, norms, practices and adopt those of the acquiring firm (van Knippenberg, 2002). Since the culture of the merged organization is usually more similar to the acquiring company, it is easier for the members of the acquiring organization to identify and commit with the new organization. The employees of the acquired organization may react to this dominance by persevering in identification with their pre-merger organization.

Moreover, making changes in interpersonal relations and reward systems usually aims at eliminating redundancies in personnel or technical systems, typically in the acquired organization; thus they do not constitute threats for the acquiring organization. Therefore, the members of the acquiring organization are more likely to perceive changes in organizational support and other rewards positively compared to the members of the acquired organization. Hence;

Hypothesis 1: Members of acquiring group -Ziraat Bankası- will identify more strongly with the merged organization than the acquired group – Emlak Bankası

Hypothesis 2: Members of acquiring group -Ziraat Bankası- will commit more strongly to the merged organization than the acquired group – Emlak Bankası

Hypothesis 3: Members of the acquired group –Emlak Bankası- will identify more with the pre-merger organization than the members of acquiring group –Ziraat Bankası-

Hypothesis 4: Members of acquiring group -Ziraat Bankası- will perceive changes in organizational benefits as more positively than the acquired group – Emlak Bankası

According to Social Identity Theory, people are motivated to maintain a positive image of the self and identification with positively valued groups serves this motive (Roccas, 2003). Social Identity Theory also predicts that, seeking positive distinctiveness, that is seeing one's group as better on the dimension of categorization, is part of the identification process (Terry & O'Brien, 2001). Thus;

Hypothesis 5: Members of both acquirer and acquired organizations see their pre-merger organizations as more prestigious.

2.7.3. Differences Related to the Perceived Mode of Acculturation

Most studies found a strong tendency to favor integration as the mode of acculturation. Integration produced easier psychological adaptation and less acculturative stress (Berry, 1987, Nahavandi & Malekzadeh, 1988) and more favorable inter-group relations. Thus, integration is likely to produce best outcomes in terms of identification with and commitment to the new organization (Elsass & Veiga, 1994). In contrast, deculturation (Zagefka, 2002) and separation (Berry, 1997) produced most negative results due to the lack of interaction between the two

parties. Separation is likely to produce the worst acculturative results especially in the case of mergers and acquisitions taking place between organizations in related areas because extensive interaction among the employees of the two firms is necessary for achieving operating synergies (Nahavandi & Malekzadeh, 1988). Other types of acculturation do not show considerable differences in terms of employee reactions to mergers and acquisitions. Hence;

Hypothesis 6: Employees who see the mode of acculturation as “integration” will identify with the merged organization more compared to employees who do not regard “integration” as the mode of acculturation.

Hypothesis 7: Employees who see the mode of acculturation as “integration” perceive the changes in organizational benefits more positively compared to employees who do not regard “integration” as the mode of acculturation.

Hypothesis 8: Employees who see the mode of acculturation as “integration” will commit to the merged organization more compared to employees who do not regard “integration” as the mode of acculturation.

Hypothesis 9: Employees who see the mode of acculturation as “separation” will identify with the merged organization less compared to the employees who do not regard “separation” as the mode of acculturation.

Hypothesis 10: Employees who see the mode of acculturation as “separation” perceive the changes in organizational benefits more negatively compared to employees who do not regard “separation” as the mode of acculturation

Hypothesis 11: Employees who see the mode of acculturation as “separation” commit to the merged organization less than the employees who do not regard “separation” as the mode of acculturation.

CHAPTER 3

METHOD

3.1. Participants

A total of 320 questionnaires were distributed in ten branches of Ziraat Bankası in İstanbul and eight branches in Ankara. Two hundred and thirty seven questionnaires were returned by respondents constituting a 74 % overall response rate. Of the 237 questionnaires, 137 (69 % response rate) were answered by employees of Ziraat Bankası origin, 92 (92 % response rate) by employees of Emlak Bankası origin, and 8 by employees who joined the workforce after the merger. The data obtained from the last group were not included in the analyses because they were too few of them. The number of participants from Ankara was 100 (43.9%) whereas this number was 128 (56.1%) for İstanbul. Forty one percent of the participants were female and 58.0% were male. The average age of the participants was 36. Most had university education (67.1%). The average work tenure of the employees was 16.46 years with a standard deviation of 7.16 years. The average tenure with their banks was 10.61 years, the average tenure at their most current positions was 8.75 years, and the average tenure at their most current work groups was 6.74 years. Further details about the sample are presented in Table 3.

Table 3: Characteristics of sample

	Mean Freq.	/ Stand. Dev.	Participation Rate
Company			
Ziraat Bankası (Acquiring)	137		59.8%
Emlak Bankası (Acquired)	92		40.2%
Questionnaire Version			
1	52		22.8 %
2	46		20.2 %
3	62		27.2 %
4	68		29.8 %
Age (Years)	36	6.71	-
Gender			
Male	90		41.1 %
Female	127		58.0 %
Education			
Primary School	4		1.8 %
Secondary School	26		11.9 %
High School	16		7.3 %
University	147		67.1 %
Master	26		11.9 %
Position in the Present Bank			
Unit Head	15		6.5 %
Section Head	1		0.4 %
Manager	22		9.6 %
Assistant Manager	23		10%
Expert	73		31.9 %
Assistant Expert	2		0.8 %
Inspector	3		1.3%
Assistant service authority	49		21.4 %
Assistant service staff	28		12.2 %
Other	7		3 %
Total Tenure (Years)	16.46	7.16	-
Bank Tenure (Years)	10.61	7.84	-
Position Tenure (Years)	8.75	5.79	-
Work Group Tenure (Years)	6.74	4.67	-
Composition Of Work Group (W.G.)			
Ziraat Bankası (Acquiring)	9.66	13.28	-
Emlak Bankası (Acquired)	6.60	7.49	-
None	2.05	7.60	-
Total Size	18.33	20.15	-
Composition of W. G. Supervisors			
Ziraat Bankası (Acquiring)	1.67	2.07	-
Emlak Bankası (Acquired)	1.45	2.11	-
None	0.53	1.09	-
Total Size	3.58	3.24	-

3.2. Questionnaire Design

The questionnaire used in this study consisted of six sections: The first section included questions about demographic measures such as sex, age, education and questions about employment history (position, total work tenure, tenure with banks specifically, position tenure, size and composition of the work unit that the employees work in). Perceived status of the pre-merger banks and the employees' perceived potential for new job opportunities were also included in this section.

The second part included 3 questions about acculturation. The first question was 'To what extent have employees of your former bank and you wanted to preserve and maintain your former culture?' Participants choose one of five alternatives 1=completely, 5 = not at all. In the second question, employees were asked 'To what extent was the culture of the bank with which you merged attractive to your former bank and to you?' Ratings were made on a 5-point Likert Scale from "very attractive" to "not at all". The third item was 'Which one of the following best describes how the cultures of your former bank and the bank with which it merged came together?' Respondents were asked to check only one of the following four alternatives: 'One of the two cultures totally dominates the other' (assimilation), 'The culture of the merged bank is a combination of important elements from both banks' (integration), 'The two banks have kept their former cultures, merger is only in name' (separation), and 'The culture of the merged bank is new and totally different from either of the former cultures' (deculturation). This variable was considered to be a categorical variable with four categories with each category corresponding to one of the four different modes of acculturation. It was based on

Berry's (1983) and Nahanavdi and Malekzadeh's (1989) discussion of different acculturation responses to organization mergers presented in Chapter 2.

The third and fourth sections included Hortaçsu's (2001) adaptation of Kirshler, E., Palmonari and Pombeni's (1994) identification scale. The items on this scale were related to employee's identification with their organizations. The same items were rated twice on 5 point agree-disagree scales for the present and the former organization. For the former Ziraat employees, this meant rating identification with the pre- and post- merger Ziraat Bankası. For the former Emlak employees this meant rating identification for Emlak and post-merger Ziraat bankası. Reliability of the scale was $\alpha = 0.8915$ and $\alpha = 0.8622$ for identification with the present and former organization respectively.

The fifth section included Wasti's (1998) 33-item Turkish adaptation of Meyer, Allen and Smith's (1993) organizational commitment measure. The measure distinguishes between three components of organizational commitment. The affective component evaluates intrinsic motivation to stay with the organization. The normative components measure feelings of obligations to stay in the organization. The continuous component captures the cost-benefit analysis of leaving the organization. Each question was scored on a 7-point scale from "strongly disagree" to "strongly agree". Reliability of the scale was $\alpha = 0.9467$.

The sixth section inquired about perceived differences in rewards and support provided by the former and present organization. Specifically, (1) changes in interpersonal relations including relationships with supervisors and co-workers to measure the changes in perceived organizational support and (2) changes in rewards including pay, promotion and the nature of the job were asked to measure

satisfaction with rewards. Each question was scored on a 5-point scale (1 =much worse, 5=much better. Reliability of the scale was $\alpha = 0.9114$

Four different versions of the questionnaires were prepared in order to prevent sequencing effect and to ensure counterbalancing. In these versions general questions section was always placed first but other sections were shuffled.

3.3. Procedure

The supervisors of these eighteen departments, (eight in Ankara and ten in İstanbul), were asked to request their subordinates to fill the questionnaires. The questionnaires were distributed to employees who were willing to take part in the study. Data were collected over a two month period in November-December 2004. The participants were ensured about the confidentiality of their responses.

3.4. Preliminary Analyses

3.4.1. Data Inspection

Prior to analysis, the key variables of interest were examined through various SPSS programs for accuracy of data entry, missing values, and fit between their distributions and the assumptions of multivariate analysis including, normality, linearity and homoscedasticity. Data entry and coding errors were corrected. No significant outliers were detected.

There were a number of missing data on some items. To maintain sample size for multivariate hypothesis testing, mean replacement was conducted where a

missing item in a measurement scale were replaced by using the mean for remaining scale questions for that case. However, there were 10 cases with missing values on most of the questions. These cases were eliminated from further analyses, bringing the total size of the sample to 219.

3.4.2 Scale Construction

3.4.2.1. Out-Group Attractiveness Scale:

The first two acculturation questions were used in order to measure out-group attractiveness. These questions were (1) ‘To what extent have employees of your former bank and you wanted to preserve and maintain your former culture?’ Participants choose one of five alternatives 1= completely, 5 = not at all, and (2) ‘To what extent was the culture of the bank with which you merged attractive to your former bank and to you?’ Ratings were made on a 5-point Likert Scale from “very attractive” to “not at all”. The answers to the two questions were combined such that the resulting measure indicated attractiveness of Ziraat Bank’s culture for former employees of Emlak Bankası and attractiveness of Emlak Bank’s culture for former employees of Ziraat Bankası.

3.4.2.2. Organizational Identification Scale:

Organizational Identification Scale was used twice in the questionnaire in order to measure both pre- and post-merger organizational identification, an initial Principal Component Analyses were run on the ten items of the scale for identification with

former and current organization. Different criteria, including Kaiser, scree plot, and Thorestone were used to decide on the number of factors. (For details see Appendix A). These analyses revealed one-factor structures for both present and former bank identification scales, explaining 51.48 % and 45.36 % variance respectively (See Table 4 and 5).

3.4.2.3. Organizational Commitment Scale:

An initial Principal Component Analysis was run on the thirty-three items and it revealed a three-factor structure explaining 39.16%, 45.86 % and 50.47% of the variance respectively. To decide on the number of factors, different criteria including Kaiser, scree plot, and Thorestone were used (For details see Appendix A). After determining the number factors, The Principal Component Analysis with varimax rotation was performed through SPSS Factor on 33 commitment items. This technique was chosen because varimax simplifies factors by maximizing the variance of the loadings within factors and across variables, hence it is the most commonly used technique (Tabachnik and Fidel, 2001). Three components were extracted. The communality table shows that since all the variance including unique and error variance were distributed to all components; initial communality values were set to 1. When the extraction communalities were observed, it was seen with a cut of 0.40 for inclusion of a variable in interpretation of a factor; only 7 out of 33 variables did not load on any factor. The success of remaining 26 variables to load on a factor implies that this PCA is fairly good at explaining the proportion of variance in a variable as predicted by the components in the analysis.

Table 4: Factor Structure of Organizational Identification scale for Pre-merger Organizations

	Factor Loadings (%)
I was thinking that being an employee at the old Ziraat (Emlak) Bankası had too few things to be proud of	.765
Being an old Ziraat (Emlak) Bankası employee was an important reflection of my identity	.737
I had positive feelings about being an employee of old Ziraat (Emlak) Bankası	.733
I used to identify myself with the other employees of old Ziraat (Emlak) Bankası	.689
I never liked to be an employee of old Ziraat (Emlak) Bankası	.677
I was just like other old Ziraat (Emlak) Bankası employees	.673
I used to prefer not to say that I was an old Ziraat (Emlak) Bankası employee	.668
I wish I had worked for another bank rather than old Ziraat (Emlak) Bankası	.667
I used to have too little respect for old Ziraat Bankası (Emlak) employees	.655
I had started to work for old Ziraat (Emlak) Bankası with my own desire	.407

Table 5: Factor Structure of Organizational Identification scale for Present Organization

	Factor Loadings (%)
I do not like to be an employee of Ziraat Bankası	.822
I have positive feelings about being an employee of Ziraat Bankası	.803
I think that being an employee at Ziraat Bankası has too few things to be proud of	.795
Being a Ziraat Bankası employee is an important reflection of my identity	.761
I identify myself with the other employees of Ziraat Bankası	.760
I am just like other Ziraat Bankası employees	.711
I wish I worked for another bank rather than Ziraat Bankası	.708
I have too little respect for Ziraat Bankası employees	.661
I started to work for Ziraat Bankası with my own desire	.608
I prefer not to say that I am a Ziraat Bankası employee	.473

When the sum of squared of loadings were perused, it was seen that after the rotation, the total variance explained by the three factors was ~50 %, of which 19.75%, 19.31% and 11.4% were explained by the first, second, and third factors respectively. Since the explained overall variance is above 50%, it can be concluded that the analysis worked out well.

The rotated component matrix shows that 8 commitment items were included in component 1, called affective commitment, with the highest loading of 0,803 with item. *“I do not feel like part of the family at my organization”* and with the lowest loading of 0,518 with item *“I am appropriated the objectives of my organization”*. Of the remaining 25 items, 10 of them were placed under component 2, normative commitment, with the highest loading of 0,710 with item *“I would not like to leave my organization and put my colleagues in need of my help”* and with the lowest loading of 0.415 with *“I would not be right to leave and disrupt my interpersonal relationships at this organization”*. Furthermore, component 3, called continuous commitment, included 8 items with the highest loading of 0,619 with item *“There is no guarantee that another organization would be better, at least I know this organization”* and 0,408 for the lowest loading with item *“As the time passes, I feel that it is becoming more difficult for me to leave my organization”*. Variables with cross loadings were excluded from the analysis. Therefore, remaining variables can be considered as marker variables since they load only one and only one component with relatively high correlations (See Table 6).

Since the loadings in the rotated component matrix are very high, each component includes highest loading variables with the loadings greater than 0,60, and the number and nature of variables in each component are consistent with the theoretical constructs, it can be concluded that, the analysis worked out fairly well.

3.4.2.4. Changes in Perceived Organizational support and Satisfaction with Rewards Scale:

Before the factor analysis, ten variables out of thirty-five were dropped because descriptive statistics showed no significant variance for these variables. That is to say, no significant merger induced change took place in these areas. (The items were “changes in salary”, “changes in retirement conditions”, “changes in social security institution”, “changes in promotion”, “changes in secretarial services”, “changes in transportation services”, “changes in technical infrastructure”, “changes in communication services”, “changes in food services”, and “changes in sport services”).

Factor analysis was run on differences in satisfaction with rewards scale and differences in POS scale. These scales were prepared as one-factor structure scales and factor analyses showed that 53.73% of the variance and 46% of the variance were explained in the changes in POS and the changes in satisfaction with rewards respectively (See appendix A). The items of the scales are presented in Table 7 and 8 respectively.

Since the loadings in the rotated component matrix in these analysis are very high and each component includes highest loading variables with the loadings greater than 0, 70, and the number of variables in each component are acceptable, it can be concluded that the analyses worked out fairly well.

Table 6: Factor Structure of Organizational Commitment

Items:	Factor Loadings		
	AC	NC	CC
I do not feel like part of the family at my organization	.803		
I do not feel emotionally attached to this organization	.772		
I do feel any obligation to remain with my current employer	.657		
I really feel as if this organization's problems are my own	.620		
I feel that my job at this organization is my private job	.597		
This organization has a great deal of personal meaning for me	.546		
I am appropriated the objectives of my organization	.518		
I would not like to leave my organization and put my colleagues in need of my help		.710	
I would remain in my organization, even if it were in financial trouble		.667	
I would feel quilt if I left this organization now		.655	
I think that it is my obligation to be loyal to this organization		.650	
If I had not already put so much of myself into this organization, I might consider working elsewhere		.650	
I earn my money from this organization, so I should be loyal to it		.636	
I would not leave my organization right now because I have a sense of obligation to the people in it		.587	
Even if it were to my advantage, I do not feel it would be right to leave my organization now		.565	
I think that It would not be unethical to leave this organization if I found a better alternative		.532	
I would not be right to leave and disrupt my interpersonal relationships at this organization		.483	
There is no guarantee that another organization would be better, at least I know this organization			.619
I feel that I have too few options to consider leaving this organization			.619
It would be very hard for me to leave my organization right now, even if I wanted to			.540
I would not like to leave my organization and start to work elsewhere from the beginning			.497
One of the few consequences of leaving this organization would be the scarcity of available alternatives			.492
Too much of my life would be disrupted if I decided I wanted to leave my organization now			.480
It would be difficult for me to get used to a new organization			.454
As the time passes, I feel that it is becoming more difficult for me to leave my organization			.408

Table 7: Factor Structure of Changes in Perceived Organizational Support Scale

Items:	Factor Loadings (%)
Being timely and properly informed about work-related matters by your supervisor	.844
Being given proper direction about work related matters by your supervisor	.821
Being given timely feedback about work-related matters by your supervisor	.819
Being asked your opinion about work-related matters by your supervisor	.808
Being rewarded fairly by your supervisor	.791
Having friendship out of work with your supervisor	.728
Helping between your co-workers and you	.728
Tension between your co-workers and you	.687
Support between your co-workers and you	.676
Being provided with on-the-job training by your supervisor	.653
Ease of access to your supervisor when required	.650
Having friendship out of work with your co-workers	.638
Conflict with your co-workers and you	.633

Table 8: Factor Structure of Changes in Satisfaction with Organizational Rewards Scale

Items:	Factor Loadings (%)
Being able to use your personal abilities on your job	.826
Your job: better/worse	.813
Being able to use your personal control over the job	.807
Your job: interesting/boring	.758
Future promotional opportunities	.605
On-the-job training opportunities	.604
Extra benefits	.473
Physical quality of working environment	.398

3.4.3. Scale Reliabilities

Based on the results of the exploratory factor analysis, poor items were eliminated from the scales as indicated above. Afterwards, reliability was assessed for each scale. In this analysis, Cronbach's Alpha value, item-total correlations, alpha if item deleted, and multiple squared correlations were calculated to see the overall internal consistency of the scale and the role of each individual item. The Cronbach's alphas for these scales were very good, implying very good overall internal consistency of the data set.

The results also showed that the items were highly reliable and that they could be used to construct the relevant scales. Accordingly, seven scales were constructed by taking the average of the relevant items. Scale reliabilities are presented in Table 9.

Table 9: Scale Reliabilities

Scale Name	# of items	Scale Type	Alpha
Identification with the former bank	10	5 – point Likert type	0.86
Identification with the present bank	10	5-point Likert type	0.89
Affective commitment with the present bank	8	7-point Likert type	0.86
Normative commitment with the present bank	10	7-point Likert type	0.90
Continuous commitment with the present bank	8	7-point Likert type	0.74
Changes in perceived org. support	2	5-point Likert type	0.93
Changes in org. Rewards	3	5-point Likert type	0.82

CHAPTER 4

RESULTS

4.1. Model Testing – Structural Equation Modeling

Two competing models explaining relationship between post-merger organizational identity, perceived changes in organizational benefits and organizational commitment were discussed in the introduction. The first one predicted a direct link between positive changes in organizational support and rewards and commitment to the new organization whereas the second one argued that post-merger organizational identity would mediate the effect of rewards and organizational support on commitment.

4.1.1 Measurement Model

In order to test Model I and Model II presented in the first section, a confirmatory factor analysis was first performed through LISREL on the seven variables. The hypothesized measurement model is presented in Figure 6; circles represent latent variables, and rectangles represent measured variables. Absence of a line connecting variables implies no hypothesized direct effect. A three-factor model is hypothesized. The first factor latent variable is called “Organizational Commitment” the indicators of which are affective commitment, normative commitment, and continuance

commitment. Higher scores indicate higher affective, normative, and continuance commitment to the present bank. The second latent variable is “Changes in Organizational Benefits”, the indicators of which are the two scales related to the changes in perceived organizational supports and satisfaction with organizational rewards where higher scores indicate more positive changes. The last latent variable is “Post-merger Identity”, the indicators of which are cultural attractiveness of the out-group and identification with the super-ordinate organization where higher scores indicate higher out-group attraction and higher organizational identification with present bank respectively.

Two main hypotheses are of interest:

- (1) Does three-factor model with simple structure (each variable loading only to one factor) fit the data?
- (2) Are there significant covariances among organizational commitment, changes in benefits and post-merger identity?

The correlations between measured variables are presented in Table 10. When the statistically significant correlations between measured variables are observed, it is seen that out-group attractiveness is positively correlated with identification with present organizations and affective commitment. Moreover, it is positively correlated with the changes in perceived organizational support and organizational rewards. Identification with the present bank is positively and strongly correlated with affective, normative and continuance commitment. Also, identification with the present bank has positive correlations with changes in POS and satisfaction with rewards. Not surprisingly, affective commitment is positively correlated with both

normative and continuance commitment and it is also positively correlated with changes in POS and with changes in organizational rewards. Moreover, normative commitment is positively correlated with continuance commitment, with the changes in POS, and with changes in organizational rewards. Similarly, continuance commitment is positively correlated with the changes in POS and with changes in organizational rewards. Finally, changes in POS are positively correlated with the changes in organizational rewards.

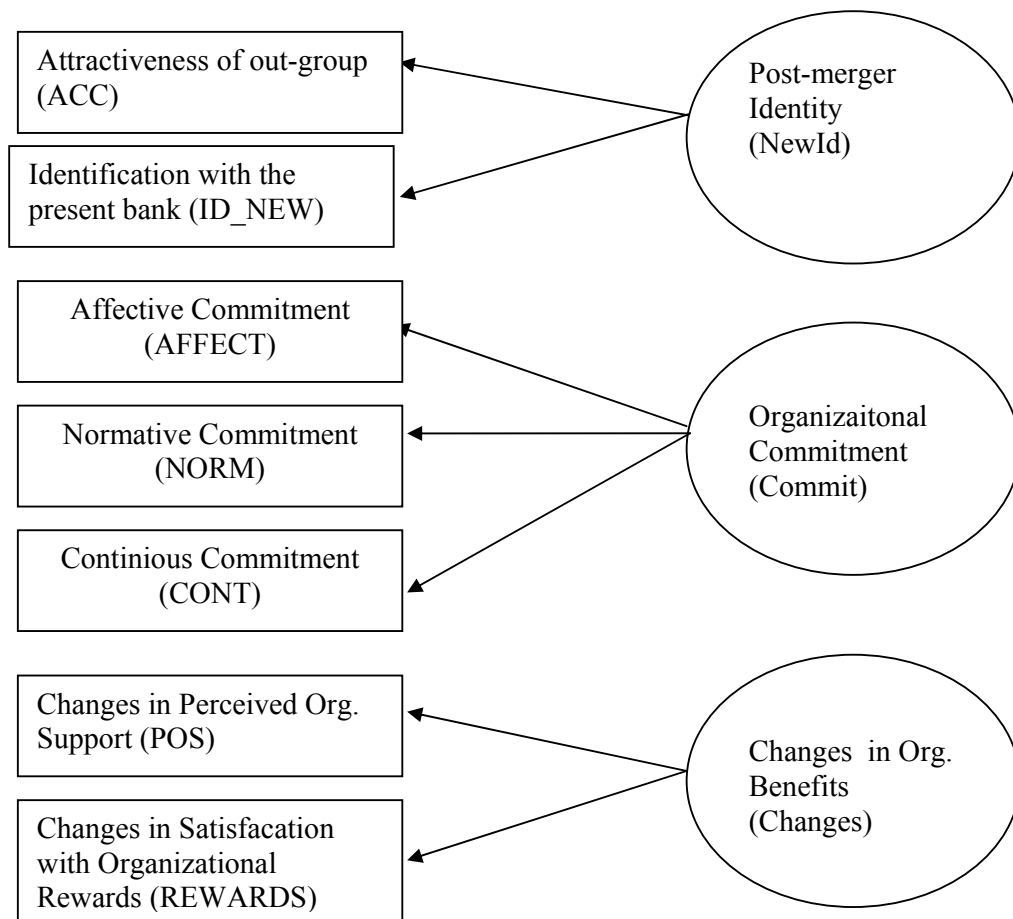


Figure 6: Research Model for the Confirmatory Factor Analysis

After the assumptions required for the confirmatory structural equation modeling were tested (See Appendix B), LISREL analysis was undertaken.

Table 10 : Correlations Between Observed Variables

	Out-group Attractiveness	Identification with the Post- Merger Bank	Affective Commitment	Normative Commitment	Continuance Commitment	Changes in POS	Changes in Org Rewards
Out-group Attractiveness	1.000						
Identification with the Post- Merger Bank	.293**	1.000					
Affective Commitment	.238**	.682**	1.000				
Normative Commitment	.094	.476**	.712**	1.000			
Continuance Commitment	.115	.400**	.522**	.565**	1.000		
Changes in POS	.269**	.319**	.374**	.262**	.294**	1.000	
Changes in Org Rewards	.205**	.436**	.412**	.305**	.273**	.657**	1.000

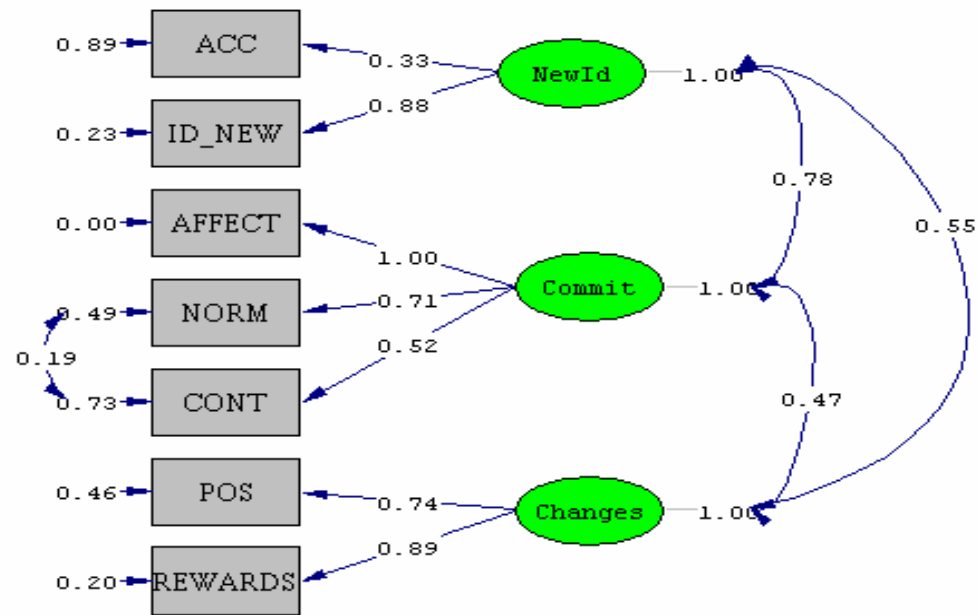
** Correlation is significant at the 0.01 level (2-tailed).

4.1.1.1. Model Estimation

Maximum likelihood estimation was employed to estimate all models. The independence model that tests the hypothesis that all variables are uncorrelated was easily rejected, $\chi^2 (21, N = 216) = 593.48, p < 0.001$.

The model chi-square is significant with $\chi^2 (11, N = 216) = 35.33, p < 0.001$. Ideally, a non-significant chi-square is desired because this chi square tests whether there is a good fit between the observed data and the model and it should be insignificant. Alternatively chi square should be preferably less than the two times degrees of freedom ($11 \times 2 = 22$) (Tabachnick & Fidell, 2000). In the present case, the chi-square is 35.33, larger than three times degrees of freedom ($11 \times 3 = 33$). Conventionally, this ratio gives only a very rough indication that the model may fit the data. LISREL output includes other fit indices including CFI = 0.96, GFI = 0.96, NFI = 0.94. These indices are larger than 0.90, indicating a good fit. However, RMSEA is 0.099, and because this value should be less than 0.08 for a good fitting model, it can be concluded that the fit between the model and the observed data is not good.

Therefore, although a chi-square difference test indicates a significant improvement in fit between the independence model and the hypothesized model with a significant independence chi-square, the significant minimum function fit chi-square necessitates modification for a better fit between the model and the observed data.



Chi-Square=17.10, df=10, P-value=0.07220, RMSEA=0.057

Figure 7: LISREL Path Diagram for Confirmatory Factor Analysis

Post hoc model modifications were performed in an attempt to develop a better fitting, and possibly more parsimonious model. On the basis of the Modification Index, the modification indicating the largest decrease in chi-square was undertaken. Accordingly, an error correlation between the normative commitment and continuous commitment scales was added since this modification indicated the highest decrease in the chi-square (17.1). After this modification, the LISREL run showed no necessity for further modifications. The new model now had an insignificant minimum function fit model with first $\chi^2 (10, N = 216) = 17.10, p > 0.05$. Other fit indices were also highly improved: CFI = 0.99, GFI = 0.98, NFI = 0.97 and RMSEA = 0.057, indicating that the model fitted the observed data well. The change in the chi-square was also significant with $\chi^2 (1(11-10), N = 216) = 18.23, p < 0.00$, meaning that the model is significantly improved with the modification. The final model is shown in Figure 7.

4.1.1.2. Comparison with the Null Model

In order to compare the modified model with the null model, the null model was run by using LISREL where all seven scales were predicted by only one factor. A Normal Theory Weighted Least Squares Chi square difference test was undertaken in order to see whether the modified model is better than the null model. The difference in χ^2 is statistically significant at $\alpha = 0.001$ level. It may be concluded that the proposed model fits the observed data much better than the null model.

For the modified model $\chi^2 (10, N = 216) = 17.10$ $p = 0.072$

For the null model $\chi^2 (14, N = 216) = 123.64$ $p = 0.00$

The difference is $\chi^2 (4, N = 216) = 106.54$ $p < 0.00$.

Summary statistics for fitted residuals and stem leaf plot of the residuals also confirm that the new modified model fits the data well because the residuals are normally distributed and symmetrical with the mean near zero.

When the regression coefficients in the modified model are noted, it can be seen that all regression coefficients are statistically significant with t values larger than 1.96. In the first factor, Post-merger Identity, all the variables have loadings above 0.30 with Post-merger Identity explaining 0.33% of the variance in the attractiveness of the out-group (ACC), 0.88% of the variance in identification with the super ordinate organization (ID-NEW). In the second factor, Organizational Commitment, all the measured variables have regression coefficients much larger than 0.30, explaining 100%, 71% and 52% of the variance in affective, normative and continuance commitment respectively. Lastly, changes in organizational benefits factor again has regression coefficients larger than 0.30 with Changes in benefits explaining the 74% of the variance in changes in perceived organizational support (POS), and 89% of the variance in changes organizational rewards (REWARDS) (see Figure 7.).

When the correlations between latent variables are observed, it can be seen that the correlation between Post-merger Identity and Organizational Commitment is the highest correlation, $r = 0.78$, which is followed by the correlation between Post-merger Identity and Changes in Organizational Benefits, $r = 0.55$. Finally the correlation between Commit and Changes in Organizational Benefits is also high, $r =$

0.47 (see diagram). These high loadings and correlations indicate a reliable model with exploratory power.

4.1.2. The Hypothesized Models

Two alternative models were proposed in the introduction. In the first model, employees' post-merger identity (including identification with the merged organization and the perceived attractiveness of the out-group) together with changes in benefits (including perceived organizational support and changes in satisfaction with rewards) have independent or direct effects on organizational commitment. It is expected that more favorable (unfavorable) changes in benefits increase (decrease) employees' commitment to the present organization. Similarly, the stronger (weaker) the employees' post-merger identity, the stronger (the weaker) is their commitment to the present organization.

In the second model, employees' post-merger identity plays a mediating role in explaining the effects of changes in benefits on organizational commitment. It is expected that more favorable (unfavorable) changes in benefits reinforces (blocks) employees' post-merger identity and the strength of this identity factor increases (decreases) employees' commitment to the present organization.

4.1.2.1. Model I

Using LISREL, the relationships between Post-merger Identity, a latent variable with two indicators: attractiveness of the out-group and identification with the merged organization; Change, a latent variable with two indicators: changes in perceived

organizational support and changes in satisfaction with organizational rewards; and Organizational Commitment, a latent variable with three indicators: affective, normative and continuous commitment were examined. The hypothesized structural model is presented in Figure 8. Circles represent latent variables, and rectangles represent measured variables. Absence of a line connecting variables implies no hypothesized direct effect.

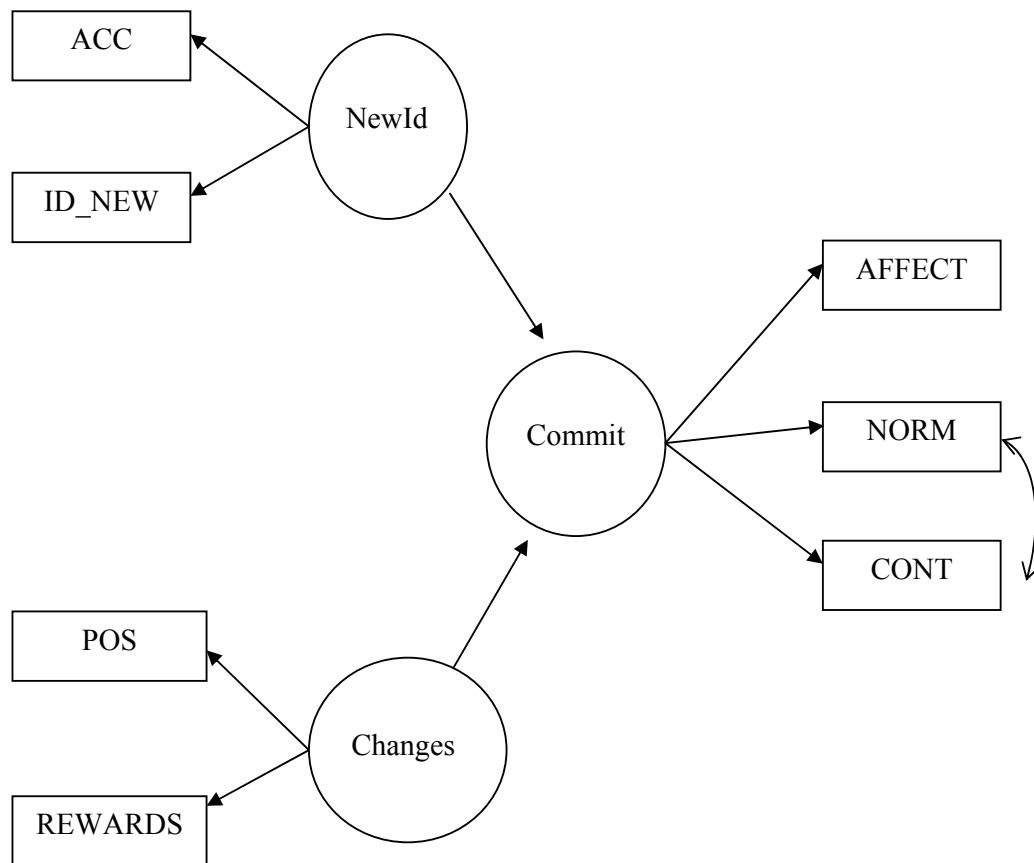


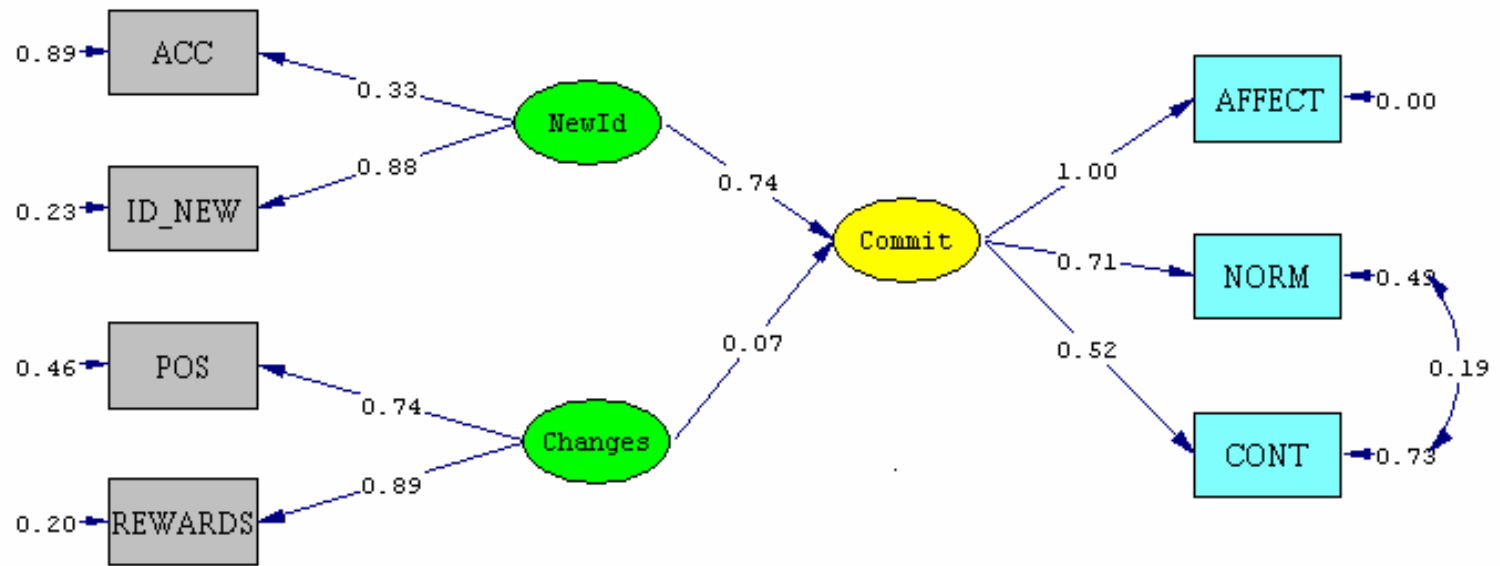
Figure 8: Hypothesized Model I

Figure 8 illustrates the hypotheses that post-merger identity (NewId), measured both by the identification with the super ordinate organization and employees' perception of the attractiveness of the out-group; and changes in organizational benefits (Changes), measured by changes in perceived organizational

support and organizational rewards directly and independently predicts organizational commitment (Commit), measured by affective, normative and continuance commitment. Moreover, based on modifications presented in the measurement model, an error correlation between normative commitment (NORM) and continuous commitment (CONT) was also added.

4.1.2.1.1 Model Estimation

The independence model that tests the hypothesis that the variables are uncorrelated with one another was easily rejected, $\chi^2 (21, N = 216) = 593.48, p < 0.001$. The model fit chi-square is $\chi^2 (10, N = 216) = 17.10, p > 0.05$. Moreover, the chi-square is 17.10, smaller than three times degrees of freedom ($11 \times 2 = 22$). Thus, the model fits the data well. LISREL output includes other fit indices including CFI = 0.99, GFI = 0.98, NFI = 0.97. Since these indices are larger than 0.90 and RMSEA is 0.057, which is less than 0.08, it can be concluded that there is a very good fit between the model and the observed data.



Chi-Square=17.10, df=10, P-value=0.07220, RMSEA=0.057

Figure 9: LISREL Path Diagram for Model I

Although Post hoc model modifications showed no necessity for further modifications of the model, summary statistics for fitted residuals and the stem leaf plot of the residuals also showed that the new modified model may not fit the data very well since residuals are not symmetrical with the mean near zero.

Moreover, when the regression coefficients in the modified measurement model are observed, it can be seen that one of the model regression coefficients of our interest (the relation between Changes in Organizational Benefits and Organizational Commitment) is not statistically significant with t value smaller than 1.96.

As may be seen in Figure 9, in the first construct –Post-merger Identity, of the two variables, identification with the super ordinate organization (ID_NEW) has the highest loading (0.88), followed by the levels of acculturation (ACC) with the loading of 0.33. In the second construct, Changes in Organizational Benefits, both of the variables have loadings larger than 0.30 with changes in perceived organizational support (POS) and changes in rewards (REWARDS) have loadings of 0.74, and 0.89 respectively. This means that Changes construct explains 74% of the variance in perceived organizational support (POS) and 89% of the variance in satisfaction with rewards (REWARDS). Finally, in the last construct, Commit, measured variables, affective commitment (AFFECT), normative commitment (NORM), and continuous commitment (CONT) have loadings of 1, 0.71 and 0.52 respectively.

4.1.2.1.2. Direct Effects

Model I shown in Figure 9 indicates that greater positive changes in the work place (Changes) was not predictive of commitment to the current organization (standardized coefficient = 0.07). Nevertheless, increased identification with the current organization led to increases in Organizational Commitment (Commit) (standardized coefficient = 0.74). So, the first model was not supported well by the analysis of Structural Equation Modeling.

4.1.2.2. Model II

Using LISREL, the relationships between New Identity, a latent variable with two indicators (ACC and ID_NEW), Change, a latent variable with two indicators (INTPER and INST), and Commit, a latent variable with three indicators (AFFECT, NORM, CONT) were examined. The hypothesized structural model is presented below. Circles represent latent variables, and rectangles represent measured variables. Absence of a line connecting variables implies no hypothesized direct effect.

Figure 10 illustrates the hypotheses that the relationship between changes in organizational benefits (Changes), measured by changes in perceived organizational support and organizational rewards and organizational commitment (Commit), measured by affective, normative and continuance commitment is mediated by post-merger identity (NewId), which is measured both by the identification with the super ordinate organization and attractiveness of out-group. Moreover, based on

modifications presented in the measurement model, an error correlation between normative and continuance commitment was added.

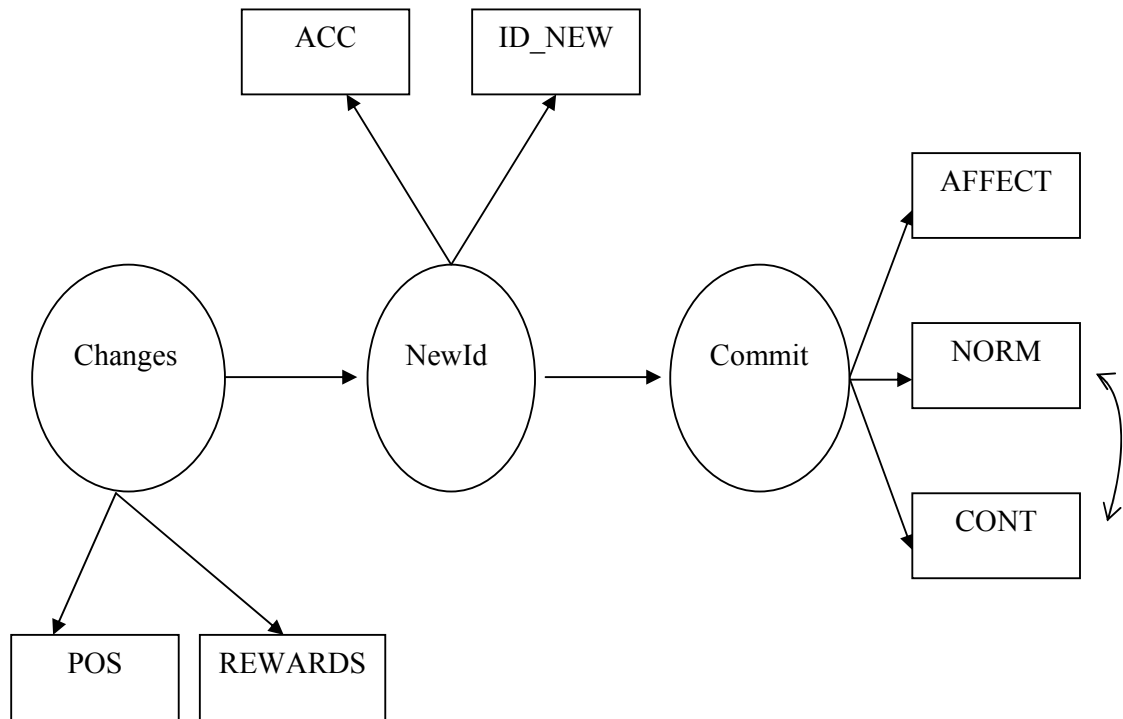


Figure 10: Hypothesized Model II

4.1.2.2.1. Model Estimation

The independence model that tests the hypothesis that the variables are uncorrelated with one another was easily rejected, $\chi^2(21, N = 216) = 593.48, p < 0.001$. The model fit chi-square is $\chi^2(11, N = 216) = 18.21, p > 0.05$. Moreover, the chi-square is 18.21, smaller than two times degrees of freedom ($12 \times 2 = 22$). Thus, the model fits the data very well. LISREL output includes other fit indices including CFI = 0.99, GFI = 0.98, NFI = 0.97. Since these indices are larger than 0.90, indicating a

good fit and RMSEA is 0.051, less than 0.08, it can be concluded that there is a very good fit between the model and the observed data.

Post hoc model modifications showed no necessity for further modifications. Moreover, summary statistics for fitted residuals and the stem leaf plot of the residuals also confirms that the new modified model fit the data very well since residuals are normally distributed and symmetrical with the mean near zero.

When regression coefficients in the modified measurement model are observed, it can be seen that all regression coefficients are statistically significant with t values larger than 1.96.

As may be seen in Figure 11, in the first construct (NewId), of the two variables, identification with the super ordinate organization (ID_NEW) has the highest loading (0.85), followed by the attractiveness of the out-group (ACC) with the loading of 0.34. In the second construct, Changes, both of the variables have loadings larger than 0.30 with changes in perceived organizational support (POS) and changes in satisfaction with rewards (REWARDS) have loadings of 0.74, and 0.89 respectively. This means that Changes construct explains 74% of the variance in perceived organizational support (POS) and 89% of the variance in satisfaction with rewards (REWARDS). Finally, in the last construct, Commit, measured variables, affective commitment (AFFECT), normative commitment (NORM), and continuous commitment (CONT) have loadings of 1.0, 0.71 and 0.52 respectively.

4.1.2.2.2. Direct Effects

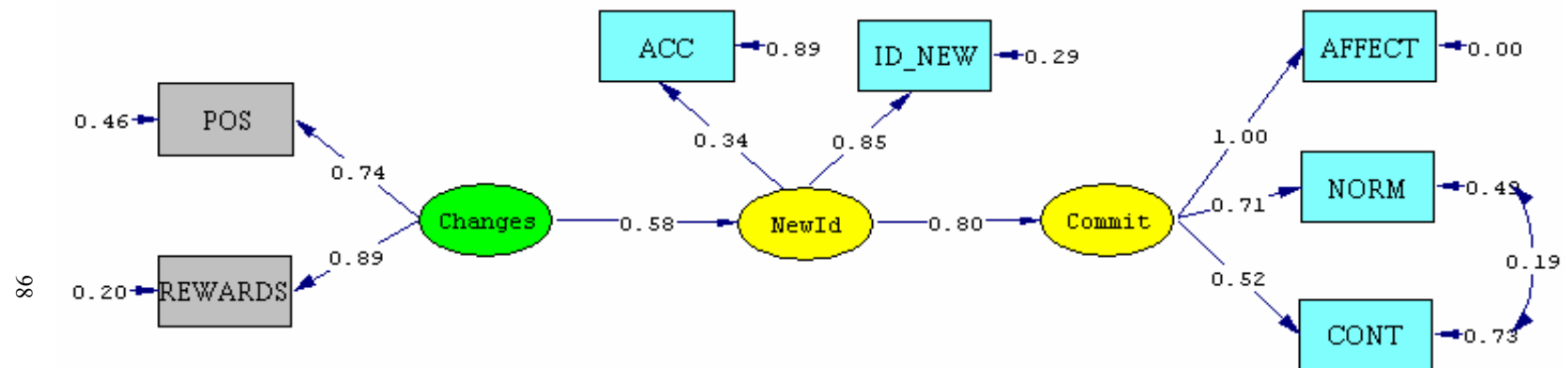
Model II shown in Figure 11 indicates that greater positive changes in the work place (Changes) was predictive of post-merger identity (standardized coefficient = 0.58).

Moreover, increased post-merger identity led to increases in Organizational Commitment (Commit) (standardized coefficient = 0.80).

4.1.2.2.3. Indirect Effects

The relationship between changes and organizational commitment was mediated by post-merger identity construct with an indirect of 0.47. That is, the greater the positive changes that took place during the merger, the greater were the commitment to the organization.

Therefore, it can be concluded that the second model fits the data better than the first model with highly improved and significant regression coefficients. That is, the data indicated that *changes in organizational benefits* after the merger were mediated by the *post-merger identity* in the present organization in predicting the *organizational commitment* to the present organization rather than directly predicting it.



Chi-Square=17.05, df=11, P-value=0.10635, RMSEA=0.051

Figure 11: LISREL Path Diagram for Model II

4.2. Comparison of Former Ziraat Bankası and Emlak Bankası Employees

In order to ensure that the participants from the two merging banks did not differ on any demographic variables, a one-way MANOVA was performed where the participants' age, education, position tenure, total tenure, bank tenure, position, position tenure, department tenure, and work group size and number of supervisor served as dependent measures. A significant Multivariate effect was obtained. Wilk's Lambda was significant with $F = 2.557$ $p < 0.05$. Univariate effects were significant for age with $F = 8.866$ $p < 0.01$, total tenure with $F = 11.577$ $p < 0.01$, and bank tenure of the employees with $F = 12.378$ $p < 0.01$. Since these variables have significant correlations with each other with $r_{\text{age-tot tenure}} = 0.912$, $r_{\text{age-bank tenure}} = 0.892$, and $r_{\text{tot tenure-bank tenure}} = 0.942$, total tenure was used as covariate in further analyses (see Table 11). The participants from the two merging banks did not systematically differ on the rest of the demographic variables (See Table 12).

Table 11: Correlations between age, total tenure and bank tenure

	Age	Total tenure	Tenure with the bank
Age	1.000		
Total tenure	.912**	1.000	
Tenure with the bank	.892**	.942**	1.000

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

Table 12: Comparison of Pre-merger Ziraat Bankası and Emlak Bankası Employees on Demographic Variables

	ZİRAAT BANKASI (N = 131)			EMLAK BANKASI (N = 88)		
	Mean / Freq.	Stand. Dev.	Frequency (%)	Mean / Freq.	Stand. Dev.	Frequency (%)
Questionnaire VERSION						
1	29		22.1 %	20		22.8 %
2	27		20.6 %	18		20.5 %
3	35		26.7 %	26		29.6 %
4	40		30.5 %	24		27.3 %
Age (Years)	34.39	6.24	-	37.93	6.42	-
Gender						
Male	51		40.8 %	35		41.2 %
Female	74		59.2 %	50		58.8 %
Education						
Primary School	8		6.4 %	14		16.5 %
Secondary School	0		0 %	3		3.5 %
High School	9		7.2 %	7		8.2 %
University	92		73.6 %	51		60 %
Master	16		12.8 %	10		11.8 %
Position in the Present Bank						
Unit Head	4		3.2 %	9		10.8 %
Section Head	1		0.8 %	0		0 %
Manager	8		6.3 %	14		16.9 %
Assistant Manager	12		9.5 %	11		13.3 %
Expert	52		41.3 %	20		24.1 %
Assistant Expert	2		1.6 %	2		1.6 %
Inspector	2		1.6 %	1		1.2 %
Assistant service authority	30		23.8 %	16		19.3 %
Assistant service staff	15		11.9 %	12		14.5 %

Table 12: Comparison of Pre-merger Ziraat Bankası and Emlak Bankası Employees on Demographic Variables (continued)

	ZİRAAT BANKASI (N = 131)			EMLAK BANKASI (N = 88)		
	Mean / Freq.	Stand. Dev.	Frequency (%)	Mean / Freq.	Stand. Dev.	Frequency (%)
Total Tenure (Years)	11.58	6.45	-	14.84	6.25	-
Bank Tenure (Years)	11.66	6.57	-	14.89	6.53	-
Position Tenure (Years)	5.18	3.74	-	4.99	3.94	-
Work Group Tenure (Years)	4.03	3.95	-	3	2.15	-
Composition Of Work Group (W.G.)						
Ziraat Bankası (Acquiring)	10.22	12.28	-	8.55	14.89	-
Emlak Bankası (Acquired)	5.66	7.89	-	7.97	7.07	-
None	1.91	8.31	-	2.10	6.56	-
Total Size	17.63	19.76	-	18.55	21.01	-
	Mean / Freq.	Stand. Dev.	Frequency (%)	Mean / Freq.	Stand. Dev.	Frequency (%)
Composition of W. G. Supervisors						
Ziraat Bankası (Acquiring)	2.02	2.07	-	1.23	2.02	-
Emlak Bankası (Acquired)	1.42	1.70	-	1.46	2.63	-
None	0.52	0.89	-	0.53	1.26	-
Total Size	3.86	2.77	-	3.17	3.86	-

A Multivariate Analysis of Covariance was performed after the assumptions required for MANCOVA were tested (See appendix C). The independent variables of the MANCOVA were former organizational affiliation (Ziraat Bankası vs. Emlak Bankası) and perceived mode of acculturation (Assimilation, Integration, Separation, and Deculturation). The dependent measures used were (1) perceived status difference where higher scores indicate higher status for acquiring bank, (2) identification with the pre-merger organization where higher scores indicate higher organizational identification with pre-merger banks, (3) identification with the present organization where higher scores indicate higher organizational identification with present banks, (4) organizational commitment to the present organization where higher scores indicate higher organizational commitment to the present bank, (5) differences between former and present organization in terms of changes in organizational benefits where higher scores indicate more positive changes. Because earlier analyses revealed that the two types of employees' differed with respect to total tenure, total tenure was used as a covariate in this analysis.

Former organizational affiliation together with the perceived mode of acculturation is proposed to have significant effect on the set of five dependent variables after controlling for total tenure. Specifically it was hypothesised that: members of acquiring group -Ziraat Bankası- a) will identify more strongly with the merged organization and b) less strongly with the pre-merger organization, c) express higher commitment to the merged organization, and d) will perceive changes in organizational benefits as more positively than the members of the acquired group – Emlak Bankası. In addition, it was hypothesized that members of both the acquirer and acquired organizations see their pre-merger organizations as more prestigious than the other pre-merger bank.

Furthermore, perceived mode of acculturation was expected to be related to feelings and evaluations related to organizations. Specifically, employees who see the mode of acculturation as “integration” a) will identify with the merged organization more, b) perceive the changes in organizational benefits more positively, and c) will express greater commitment to the merged organization compared to employees who regard “separation” as the mode of acculturation.

Table 13: Percentages of the employees of the two former banks reporting different acculturation modes as a consequence of the merger

PERCIEVED MODE OF ACCULTURATION					
	Assimilation	Integration	Separation	Deculturation	Total
	24.0 %	27.1%	25.6%	23.3 %	100 %
Ziraat	(31)	(35)	(33)	(30)	(129)
	36.4 %	17.0 %	13.6 %	33.0 %	100 %
Emlak	(32)	(15)	(12)	(29)	(88)
Total	29.0 %	23.0 %	20.7 %	27.2 %	100 %
	(63)	(50)	(45)	(59)	217

It may be seen in Table 13. that the number of employees in each bank was not equally distributed in each acculturation mode with a significant interaction chi-square of $\chi^2 (3, 217) = 10.460$ $p < 0.05$. Specifically, whereas the percentages of employees from pre-merger Ziraat Bankası in each acculturation mode were similar to each other, pre-merger Emlak Bankası employees mostly perceived “assimilation” and “deculturation” mode with 36.4 % and 33 % respectively.

Table 14: Correlations between dependent variables

	Status difference	Identification with the pre-merger bank	Identification with the post-merger bank	Changes in benefits	Commitment to the post-merger bank
Status difference	1.000				
Identification with the pre-merger bank	-0.202**	1.000			
Identification with the post-merger bank	0.280**	0.433**	1.000		
Changes in benefits	0.125	-0.013	0.337**	1.000	
Commitment to the post-merger bank	0.140*	0.380**	0.628**	0.407**	1.000

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

* Correlation is significant at the 0.05 level (2-tailed).

When the statistically significant correlations between dependent variables in Table 14. are observed, it is seen that status difference between two banks is negatively correlated with identification with former organizations with $r = .020$ $p < 0.01$ whereas it is positively correlated with organizational identification with present bank with $r = .080$ $p < 0.01$ and organizational commitment to the present bank $r = .014$ $p < 0.05$. Interestingly, identification with the former organizations is positively related to the identification with the present organization ($r = .043$ $p < 0.01$) and commitment to the present organization with $r = .038$ $p < 0.01$. Moreover, identification with the present organization is positively correlated with the changes with $r = 0.38$ $p < 0.01$ and commitment to the present organization with $r = .063$ $p < 0.01$. Finally, changes is positively correlated with the commitment to the present organization with $r = .041$ $p < 0.01$.

In the MANCOVA analysis, there was a violation of homogeneity of variance assumption due to a significant F in Box M tests and a significant F for status

difference (stat_dif) and changes in benefits (changes) in Levene test (See appendix C). Thus, s, Pillai's Trace criterion, a more conservative approach, was used when interpreting the effect of IVs on linear combinations of DV.

When the Multivariate Test Table is perused, it can be seen that the combined DVs are significantly related to covariate (total tenure of the employee). Pillai's Trace is significant with $F(5, 204) = 11.189$ $p < 0.001$ (see Table 15).

Pillai's Trace is significant the Bank main effect, $F(5, 204) = 26.169$ $p < 0.001$. This means that there is a statistically significant main effect of pre-merger group membership (Bank) on the combinations of five DVs. That is, the mean values on the combination of DVs are significantly different for the employees of Ziraat Bankası and Emlak Bankası (see Table 15).

Pillai's Trace also shows a significant effect for the acculturation main effect, $F(15, 618) = 2.442$ $p < 0.001$, meaning that the perceived mode of acculturation (acc_mode) with the new organization has a significant main effect on the combinations of five dependent variables (see Table 15).

In addition, the Multivariate test indicates that there is also a significant Bank and the Perceived Mode of Acculturation interaction on the combination of DVs with $F(15, 618) = 1.998$ $p < 0.05$ (see Table 15).

Table 15: Multivariate Effects of Total Tenure & Pre-merger Group Membership

	Pillai's Trace	Hypothesis df	Error df	F	η^2
Total Tenure	0.215	5	204	11.189**	0.215
Bank	0.391	5	204	26.169**	0.391
Mode of acculturation	0.168	15	618	2.442*	0.056
Bank * Mode of acculturation	0.139	15	618	1.998*	0.046

** F is significant at the 0.001 level (2-tailed).

* F is significant at the 0.05 level (2-tailed).

As for the tests of Between-Subjects Effects, univariate Fs for each dependent variable were calculated. That is, univariate tests of the main effects of Bank on each dependent variable were significant after controlling for tenure.

It may be seen in Table 16 that members of pre-merger Emlak Bankası are more identified with their pre-merger organization compared to those of Ziraat Bankası with $F(1, 208) = 9.486$, $p < 0.001$ whereas members of pre-merger Ziraat Bankası are both more identified with and committed to the present organization compared to those of Emlak Bankası. Furthermore, members of pre-merger Ziraat Bankası perceive these changes in benefits as more positive than the members of pre-merger Emlak Bankası. These findings are consistent the predictions concerning the employees of acquiring and acquired organizations.

Moreover, employees of former Emlak Bank perceive their pre-merger organization as more prestigious compared to members of pre-merger Ziraat Bankası, who perceive pre-merger Ziraat Bankası as more prestigious. This finding was also consistent with study predictions.

Table 16: Univariate Effects of Pre-merger Group Membership (Bank)

	Emlak Bankası	Ziraat Bankası	F (1,208)	η^2
Status difference	-3.174* (0.330)***	0.973 (0.249)	97.871**	0.320
Identification with the pre-merger bank	3.763 (0.088)	3.418 (0.067)	9.486**	0.044
Identification with the post-merger bank	2.655 (0.109)	3.289 (0.082)	20.979**	0.092
Changes in Benefits	2.766 (0.057)	2.996 (0.043)	10.187**	0.047
Commitment to the post-merger bank	3.894 (0.125)	4.348 (0.095)	8.147**	0.038

* (-) Emlak Bankası is more prestigious (+) Ziraat Bankası is more prestigious

** F is significant at the 0.001 level (2-tailed).

*** SDs in parentheses

As it can be seen in Table 17., univariate Fs for the second independent variable - perceived mode of acculturation are all significant except for Status Difference and Identification with the Former Banks. That is univariate F values for modes of acculturation are significant for identification with the merged organization; for changes in benefits and for commitment to the present organization.

Table 17: Univariate Effects of Perceived Mode of Acculturation

	Assim.	Integ.	Separ.	Decult.	F (3,208)	η^2
Status difference	-1.568 (0.352)	-1.091 (0.432)	-0.952 (0.471)	-0.792 (0.364)	.854	.012
Identification with the pre-merger bank	3.562 (0.094)	3.542 (0.116)	3.540 (0.126)	3.718 (0.097)	.705	.010
Identification with post-merger bank	2.940 (0.116)	3.247 (0.143)	2.632 (0.155)	3.068 (0.120)	3.060*	.042
Changes in Benefits	2.760 (0.061)	3.071 (0.074)	2.671 (0.081)	3.024 (0.063)	7.478**	.097
Commitment to the post-merger bank	3.925 (0.134)	4.530 (0.164)	3.825 (0.179)	4.204 (0.138)	3.823*	.052

* F is significant at the 0.05 level (2-tailed).

** F is significant at the 0.001 level (2-tailed).

Post Hoc comparisons (Tukey) for the main effect of mode of acculturation reveals that employees who perceive the mode of acculturation as “integration” identify with the merged organization more than the employees who perceive the mode of acculturation as “separation”. No other group differences were significant. This finding provides support for the hypothesis that employees who see the mode of acculturation as “integration” will identify with the merged organization more than the employees who do not regard “integration” as the mode of acculturation (see Table 18).

Moreover, employees thinking “integration” as the acculturation mode perceive the changes in organizational benefits as more positive than employees thinking “assimilation” or “separation” as the acculturation mode. This finding

confirms the hypothesis that employees who see the mode of acculturation as “integration” perceive the changes in organizational benefits more positively compared to employees who do not regard “integration” as the mode of acculturation (see Table 18). Although not hypothesized, the results (see Table 18) also show that employees thinking “deculturation” as the acculturation mode perceive the changes in benefits more positively than employees thinking “assimilation” and “separation” as the acculturation mode.

Finally, as it can be seen in Table 18, employees perceiving “integration” as the mode of acculturation commit to the merged organization more than those who perceive the mode of acculturation as “assimilation” and “separation” . This result supports the hypothesis that employees who see the mode of acculturation as “integration” will commit to the merged organization more compared to employees who do not regard “integration” as the mode of acculturation.

Table 18: Post Hoc Comparison for the Main Effect of Perceived Mode of Acculturation

	Assim. (A)	Integ. (I)	Separat. (S)	Decult. (D)	SD of Mean Difference	Sig.
Identification with post- merger bank	M 2.940 ^{ab}	M 3.247 ^a	M 2.632 ^b	M 3.068 ^{ab}	(I-S) 0.211	0.024
Changes in Benefits	M 2.760 ^a	M 3.071 ^b	M 2.671 ^a	M 3.024 ^b	(A-I) 0.096 (A-D) 0.087 (I-S) 0.110 (S-D) 0.102	0.008 0.017 0.002 0.004
Commitment to the post- merger bank	M 3.925 ^a	M 4.530 ^b	M 3.825 ^a	M 4.204 ^{ab}	(A-I) 0.212 (I-S) 0.243	0.028 0.024

As for the univariate Fs for Bank and Perceived Mode of Acculturation interaction, all Fs are again significant for all DVs except status difference and identification with the former organization. The summary of univariate F-tests are presented in Table 19.

The significant univariate interactions were further analyzed by conducting one-way ANOVAs followed by Tukey comparisons for comparing the different modes of acculturation for former members of each bank separately. The means, standard deviations and the F values associated with the specific one way analysis are presented in Table 20.

Table 19: Univariate Effects of Bank X Perceived Mode of Acculturation Interaction

	F (3,208)	Sig.	η^2
Status difference	1.094	.353	.016
Identification with the pre-merger bank	1.997	.116	.028
Identification with the post-merger bank	4.309	.006	.059
Changes in Benefits	3.023	.031	.042
Commitment to the post-merger bank	3.409	.019	.047

As it may be seen in Table 20, post hoc comparisons indicate that those significant differences in dependent variables between the employees of former Emlak and Ziraat Bankası occurred only when the mode of acculturation is either “assimilation” or “separation”. Specifically, when the mode of acculturation was “assimilation”, pre-merger Ziraat Bankası employees indicated both a higher level of

identification with the merged organization and considered the changes in the organizational benefits more positively compared to pre-merger Emlak Bankası employees. When the acculturation mode is separation, on the other hand, the members of pre-merger Emlak Bankası identified with and committed to the merged organization significantly less than the members of pre-merger Ziraat Bankası. As for “integration” and “deculturation”, no significant difference was observed between the employees of former Ziraat and Emlak Bankası in terms of their identification with and commitment to the merged organization and their perception of changes in organizational benefits.

Furthermore, as it may be seen in Table 20, different acculturation modes produced significant differences in terms of dependent variables especially for the employees of Emlak Bankası. Specifically, whereas members of former Emlak Bankası who perceived “integration” as the mode of acculturation indicated higher levels of identification with and commitment to the merged organization than the members who perceive the mode of acculturation as “assimilation” or “separation”, members of former Ziraat Bankası perceiving different types of acculturation did not differ with respect to identification with and commitment to the merged organization. Moreover, pre-merger Emlak Bankası employees who indicated “deculturation” as the acculturation mode identified with the merged organization more than those former Emlak Bankası employees who indicated “separation” as the mode of acculturation. Finally, the former Emlak Bankası employees who perceived the mode of acculturation as “integration” or “deculturation” perceive the changes more positively than the former Emlak Bankası employees who perceive the mode of acculturation as “assimilation”.

Table 20: Post Hoc Comparison for the Bank X Perceived Mode of Acculturation Interaction

	Assimilation	Integration	Separation	Deculturation	F (Bank)
Identification with the post-merger bank					4.309**
Ziraat Bankası	3.372 (0.759)	3.259 (0.951)	3.216 (1.031)	3.130 (1.110)	0.330
Emlak Bankası	2.535 ^{a b} (0.951)	3.316 ^c (1.002)	2.050 ^a (0.830)	2.985 ^{b c} (0.811)	5.658***
F (acc. Mode)	14.844***	0.036	12.371***	0.327	
Changes in Benefits					3.023*
Ziraat Bankası	3.027 ^{a b} (0.277)	3.114 ^a (0.410)	2.760 ^b (0.468)	3.061 ^a (0.533)	4.440**
Emlak Bankası	2.496 ^a (0.612)	3.038 ^b (0.304)	2.583 ^{a c} (0.454)	2.983 ^{b c} (0.590)	5.868***
F (acc. Mode)	19.510***	0.418	1.284	0.279	
Commitment to the post-merger bank					3.409*
Ziraat Bankası	4.192 (1.157)	4.371 (1.178)	4.268 (1.383)	4.143 (1.356)	0.200
Emlak Bankası	3.721 ^a (1.204)	4.883 ^b (0.957)	3.387 ^a (0.858)	4.212 ^{a b} (0.836)	6.517***
F (acc. Mode)	2.504	2.197	4.240*	0.055	

*** F is significant at the 0.001 level (2-tailed).

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

* F is significant at the 0.05 level (2-tailed)

CHAPTER 5

DISCUSSION

5.1. General Evaluations of the Results

Many efforts have been made to investigate the factors that contribute to M&As' success and failures. One approach focuses on the "people problems" arguing that the success of M&As depends on how employees adjust to an organizational change. Based on the idea that, employee identity, organizational benefits, and acculturation are the fundamental concepts in explaining people problem, the primary purpose of this study was to examine employees' attitudes using social identity, social exchange, and acculturation perspectives.

Specifically, two competing conceptual models explaining employees' commitment to the merged organization were compared and the effects of merger group and perceived mode of acculturation on the employees' perception of pre-merger group status, identification with pre- and post merger organization, commitment to the merged organization and perception of changes in organizational benefits were examined.

The results provided support for the second model that was proposed. That is, employees' post-merger identity, which includes employees' identification with the merged organization and cultural attractiveness of the merger partner mediated the relationship between merger-induced changes in organizational benefits and commitment of the employees to the post-merger organization. That is, employees'

perceptions of changes in organizational support and other material rewards affect organizational commitment indirectly through primarily by organizational identification and to a lesser extent by the attractiveness of the out-group.

This finding implies that the relationship between benefits provided to the employees by the organization and organizational commitment is not based only on a pure social exchange relationship where commitment is an exchange commodity. Rather, when organization provides its employees with support and other rewards, employees feel that the organization values them and this satisfies the employees' distinctiveness and self-enhancement needs and enhance employees' organizational identification, which, in turn, increase employees' commitment to the merged organization (Fuller, 2003).

The results also suggest that attractiveness of the out-group is a mediating factor along with organizational identification such that as the support and rewards provided by organization increase, the attractiveness of the other group also increase because the other group within the organization will be viewed more safe and less threatening (Molina, 2004). This increased attractiveness of the out-group lead to more constructive environment and higher commitment to the merged organization.

The result of the study also underlined the relative utility of social categorization approach in terms of identification with the merged bank (with the factor loading of 0.85) as compared to acculturation approach in terms of out-group attractiveness (with the factor loadings of 0.34) in explaining variance in the post-merger identity factor. Although both were statistically significant, the results showed that recategorization of oneself as a member of a superordinate group has more exploratory power than attractiveness of the other group in forming post-

merger identity, which mediated the relationship between changes in organizational benefits and organizational commitment.

The results of this study provided supporting evidence for all of the research hypotheses related to the comparisons between the former employees of the two organizations involved in the merger and between employees endorsing different constructions of the resulting merger.

Specifically, the hypotheses concerning the main effects of pre-merger group membership were supported. As expected, members of the acquiring organization identified with and committed to the merged organization and perceived the changes in organizational benefits more positively relative to the employees of the acquired group. These findings confirm the proposition that threatening effects of mergers may be less for the members of acquiring organization due to “the sense of continuity” between pre-merger and post-merger organization. As a result, members of the acquiring group express more positive attitudes regarding post-merger organization compared to the members of the acquired organization (van Knippenberg, 2002). Furthermore, the results showed that members of the acquired group identified more with their pre-merger organization compared the members of the acquiring group. This finding is also in line with the social identity theory which asserts that especially when uncertainty is high, people identify more strongly with distinctive groups even when these groups have lower status (Hornsey et al., 2002).

In addition, the hypothesis concerning the effects of pre-merger group membership on the perception of status difference between the pre-merger banks was supported. Members of acquiring Ziraat Bankası perceived their former bank more prestigious than the acquired Emlak Bankası. Similarly, members of acquired Emlak Bankası perceived their former bank more prestigious than the acquiring Ziraat

Bankası. This finding is parallel with the social identity theory that people have a need for and motivated to maintain a positive self-concept. Given that pre-merger group membership is a facet of self-concept, then individuals may become more motivated to establish in-group favouritism, as well as out-group bias. Therefore, they inflate their evaluations of in-group and deflate the evaluations of out-groups to create favourable in-group out-group comparisons (Terry et al., 2001).

Although not hypothesized, the correlation between the employees' identification with their former organizations and with the post-merger organization was found to be positive with $r = 0.433$ $p < 0.001$. This finding was unexpected because according to Ashforth & Mael (1989) organizational identification is company specific and merger participants with strong pre-merger organizational identification resist abandoning their pre-merger identities due to the potential psychological loss and refuse to identify with the merged organization.

One possible explanation for this finding might be that organizational identification may not be company specific, but it may be that some individuals may have a dispositional propensity to identify with an organization and can shift their organizational identification when necessary (Ashforth & Mael, 1992).

The results of this study also provided support for the main effect of perceived mode of acculturation. As hypothesized, employees who perceived the mode of acculturation as "integration" identified with and committed to the merged organization more and perceived the changes in organizational benefits more positively relative to the employees who did not perceive the acculturation mode as "integration". Furthermore, employees who considered the mode of acculturation as "separation" identified with and committed to the merged organization less and

perceived the changes in organizational benefits more negatively compared to the employees who did not perceive the acculturation mode as “separation”.

The degree of cultural contacts in successful M&As are be positively related to the degree of relatedness between the two firms (Elsass & Veiga, 1994; Nahavandi & Malekzadeh, 1988). In related mergers as in the case of the merger between Ziraat and Emlak banks, the mutual environmental considerations, greater shared job and market knowledge, similar technologies all require employees to interact. Hence; it is not surprising that integration as the perceived mode of acculturation brought about the most favourable results whereas separation produced the least favourable outcomes. In integration, employees from both acquiring and acquired group perceived that they share a common identity with the post-merger organization and yet they were able to differentiate themselves from each other in a positive way. But, in separation the mere existence of two distinct cultural groups, each with values, goals and assumptions that might or might not be compatible was not sufficient to lead the feelings of in-group out-group bias and conflict between the groups within the merged organization (Liebkind et al., 2004). Hence, employees who perceived the mode of acculturation as integration / separation had more / less identification with and commitment to the merged organisation and perceive the merger induced changes in organizational benefits more positively / negatively.

Although not specifically hypothesized, assimilation as well as integration was expected to bring about the favourable employee outcomes since the cultural contact is also present in “assimilation” (Nahavandi & Malekzadeh, 1988). Nevertheless, the results showed that employees perceiving “assimilation” as the acculturation mode showed more unfavourable attitudes than expected. Specifically, people who perceived the acculturation mode as assimilation perceived the changes

in organizational benefits significantly more negatively and committed significantly less to the merged organization relative to the employees who considered integration as the acculturation mode.

One explanation for this finding might be that dominant organizations often aim to assert their dominance. For example, acquiring organization in this study fired some members of the management team of the acquired organization probably to impose its own culture. Even though these attempts ensured a sense of continuity for the dominant group, they might also cause employees of the acquired group to resist since they also have their prior norms to comply. Hence, assimilation (if forced) as the perceived mode of acculturation within the post-merger organization might cause tension and lead to less favourable employee attitudes regarding post-merger organization especially for the members of the acquired group. In contrast, when the merged organization is multicultural and allows for the acquired group to maintain some level of distinctiveness to ensure a sense of continuity for both organizations, that is, when the mode of acculturation is integration, employees may develop more favourable attitudes about post-merger organization (van Kinpppenberg, 2002).

Another surprising finding was that deculturation produced more positive results than anticipated. Specifically, regardless of which former bank they were from, employees who perceived the mode of acculturation as “deculturation” considered the changes in organizational benefits more positively than the employees who perceived the mode of acculturation as “assimilation” or “separation”. Since there is no cultural contact in deculturation, it was expected that deculturation did not produce employee responses that were significantly different than separation.

However, the research results revealed that deculturation produced more positive results than expected probably because they considered deculturation as

similar to the integration due to its expression in the questionnaire. Deculturation was stated in the questionnaire as “the culture of the merged bank is new and totally different from either of the former cultures”. Although this sentence was formulated to give the meaning that employees both reject their old culture and show no interest in having relations with the members of the other group, what people understood from it was totally different. They interpreted the sentence as “both groups cooperatively make sacrifices and brought about a new culture”. The results also supported this possibility because employees who perceived the mode of acculturation as “integration” and “deculturation” did not show any significant difference in any of the dependent variables.

The results also showed that there was a significant interaction effect of pre-merger group membership and perceived mode of acculturation especially for the members of pre-merger Emlak Bankası. Specifically, members of former Emlak Bankası who perceived “integration” as the mode of acculturation indicated higher levels of identification with and commitment to the merged organization than the members who perceive the mode of acculturation as “assimilation” or “separation” whereas the members of former Ziraat Bankası perceiving different types of acculturation did not differ with respect to identification with and commitment to the merged organization. Moreover, pre-merger Emlak Bankası employees who indicated “deculturation” as the acculturation mode identified with the merged organization more than those former Emlak Bankası employees who indicated “separation” as the mode of acculturation. Finally, the former Emlak Bankası employees who perceived the mode of acculturation as “integration” or “deculturation” perceive the changes more positively than the former Emlak Bankası employees who perceive the mode of acculturation as “assimilation”.

These findings are also consistent with the above arguments such that separation and assimilation produced the most negative results and integration (and deculturation) produced the most positive results, implying that it is adaptive for the members of acquired group to interact with the acquiring group while at the same time being able to maintain their original cultural identity especially for the members of the acquired group. Thus, it is important that a multicultural environment be created within the post-merger environment. Otherwise, if the dominant partner enforces the assimilation (“melting pot” strategy), it may become “pressure cooker”. Or else, if separation is enforced, it may turn out to be “segregation” and produce unfavourable outcomes for the members of the acquired organization (Berry, 2001). Leadership may be important in this sense because it is typically the management in the organization that has the opportunity to create such an environment within the merged organization.

5.2. Contributions of the Study

This study examined very common practical problems of M&As in a real life setting and from a conceptual perspective. Specifically, it developed current work on the people side of M&As by applying social identity, acculturation, commitment and organizational support and rewards literature in an integrative way. This perspective provided a number of interesting findings and contributes to the literature in fundamental ways.

Firstly, it tested two competing conceptual models in the literature and the supported model makes an addition to the social identity literature by presenting organizational rewards as an antecedent of organizational identification. Social

Identity Theory has predominantly focused on cognitive categorization of the world into the groups, that is, inter-group relations, and largely ignored the intra-group phenomena. However, this thesis incorporated intra-group identity into inter-group identity and used organizational benefits as a factor that influences intra-group identity and hence organizational identification.

Moreover, this study integrated identification and acculturation literatures. Previous research has primarily focused on organizational identification and largely ignored the cultural aspects of this identification in affecting organizational commitment. However, the current study expanded these approaches by demonstrating that cultural attractiveness of the merger partner may also be evaluated together with organizational identification in predicting organizational commitment. Moreover, the findings of this study demonstrated that there is a significant interaction effect between pre-merger group membership and perceived mode of acculturation in predicting various employee responses to M&As. Thus, examining social identity together with acculturation may indeed be essential in M&A context.

Finally, the context of this study is another contribution to the academic research. As many researchers (e.g. Terry & O'Brien, 2001) suggests, the study of social identity theory produces more strong results especially when there is threat to the social identity or when the social identity is salient. M&A situation is one of the best contexts where there exists a salience of and possibly a threat to the pre-merger social identities. Hence, the context is likely to increase the strength of the study further.

5.3. Implications for Practitioners

The results of the present study have several implications for practitioners. Firstly, this study provided evidence of the importance of organizational identification. In M&A situations where the employees' companies changed, organizational identity is frequently threatened. Due to this threat, employees may develop negative attitudes towards the new organization. This study showed that employees with less identification with the new organization also committed less to it. Therefore, managers are recommended to boost employees' organizational identification especially at the superordinate level.

Moreover, the results of the study suggest that one way to increase superordinate organizational identification is to improve the benefits that the organization provides to its employees. Thus, managers are recommended that they increase the amount of both tangible and intangible rewards and distribute them fairly among the employees and provide them with needed support and commitment both during and after the M&A process.

Furthermore, in this study, new organizational identification was positively related to the pre-merger organizational identification ($r = 0.433$, $p < 0.001$). That is, the result suggests that employees who highly identified with the pre-merger organization are not always antagonistic to the new organization, and maintaining high identification to a pre-merger entity does not necessarily hinder the development of a new organizational identification. Therefore, managers should not mistakenly act by thinking that these employees would not adopt to the new organization.

Finally, the results of the study suggest that perceived mode of acculturation influences several employee attitudes towards the superordinate organization including identification with and commitment to the new organization and satisfaction with organizational benefits. Thus, It would also be recommended that managers become familiar with the concept of acculturation (may be with model of Nahavandi and Malekzadeh, 1988). This may assist them to ease individual adaptation to the merger in a systematic way. Thus, by keeping this information in mind, managers should develop policies so as to implement “integration” as the mode of acculturation and create a multicultural environment within the post-merger organization. For example, work teams including members from both pre-merger organizations may help individuals from both cultures gain a perspective of newly merged organization, a perspective they may not obtain without such interactions. This may also increase the attractiveness of the out-group and identification with the superordinate organization.

5.4. Limitations and Direction for Future Research

This study has certain limitations that should be considered when interpreting the findings and setting direction for future research.

Firstly, the results were drawn from data surveyed at a recently merged bank, which limits the generalizability of the findings. In order to increase generalizability of the results, further research is needed in different countries, settings, merger types, industries..etc.

Secondly, this study included several variables that were thought to be critical in an M&A context. However, it is possible that some other variables might be as

important as or even more important than the variables used in this study such as group membership permeability, post-merger integration efforts or the role of leadership. Therefore, further studies may also incorporate these variables in order to increase the generalizability of the findings.

Moreover, the study is a cross sectional design. Since the measures involved both pre-merger and post-merger situation, a longitudinal design would have been preferable. However, most merging organizations are reluctant to allow researchers to examine their organizations especially before the merger takes place. Hence, future research had better to be conducted as a longitudinal design to increase the validity of the results.

Finally, the data of this research relied on retrospective reports from the employees. This method was chosen because no other source could provide the information that was required. However, retrospective reports might be inaccurate in the sense that participants may recall the past inaccurately. Or else, participants might give inaccurate answers due to the needs for achievement, security or social acceptance. So, future research had better to be after more objective measures.

In conclusion, implementing post-merger integration process successfully in today's organizations can be a very complex and painful process. Hence, a great deal of additional research is needed to accurately understand and overcome both identity problems and cultural clashes in order to improve the integration experiences of employees. As M&A activities continue to represent an essential way to cut costs and realize synergistic profit gains in today's world, this study represents a step towards how to realize people synergy as well as profit synergy.

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APPENDICES

APPENDIX A

DETERMINATION OF NUMBER OF FACTORS

A.1. Identification Scale

Firstly, Kaiser Criterion requires that only the factors whose eigenvalues greater than one are accepted as factors for the analysis. Two factors were identified with eigenvalues greater than one. However, after the first factor, the second factor explains increasingly less and less variance in all variables. Moreover, second factor had an eigenvalue only slightly larger than 1 and it can explain only 11.73 % (11.78) of the variance whereas the first factor explains about 46% (51%) of the variance for the identification with the former and present organizations respectively. Therefore, it was concluded that one factor structure explains the variance quite well for the 10 identification items.

Secondly, Thorestone criterion requires that for a factor to remain in the analysis, the variables under that component have salient loadings. The component matrix showed that the first component includes variables with more salient, higher loadings compared to the second component. While the highest loadings are at the 0.70 levels for the first component, they are at the 0.40 levels for the second component. Although the variables with highest loadings under a component have

loadings greater than 0.32, they are still small for the second component compared to the first.

Thirdly, scree plot criterion shows the eigenvalues plotted against factors. When the shapes are viewed, it may be seen that the first factor shows sharp drops compared to others. So, the first factor is sufficient to explain variance in 10 identification items.

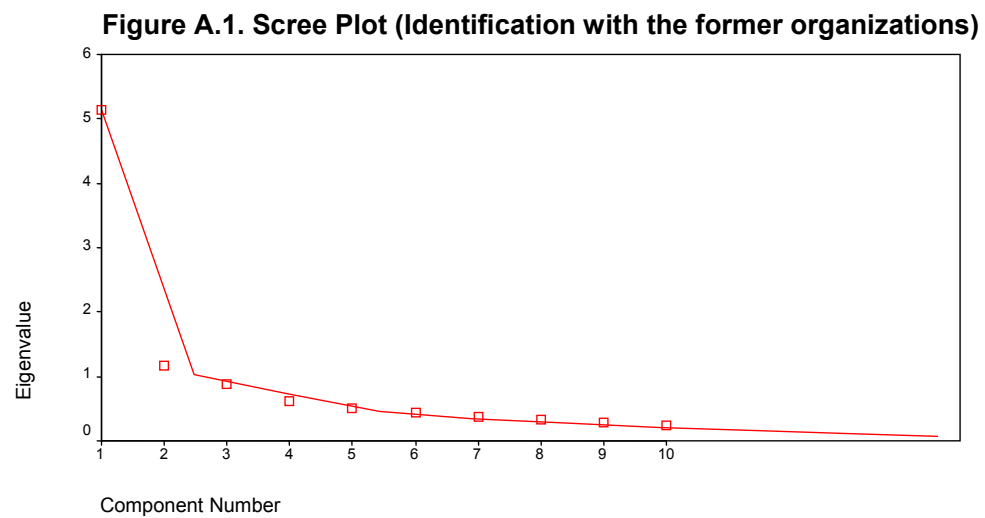
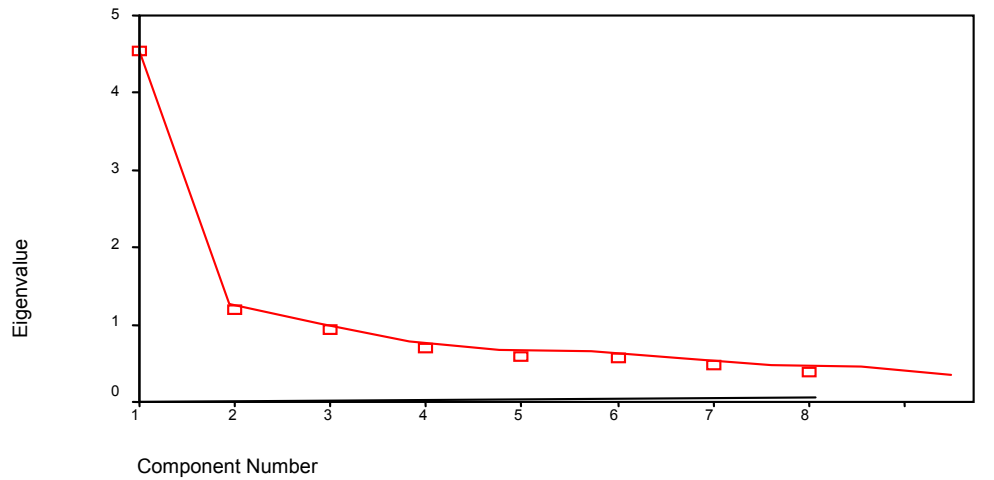


Figure A.2. Scree Plot (Identification with the present organization)



Lastly, the residual correlation matrix indicates that the residuals are smaller than 0.10 in general, implying that there is no factor needed to explain the variance in these variables.

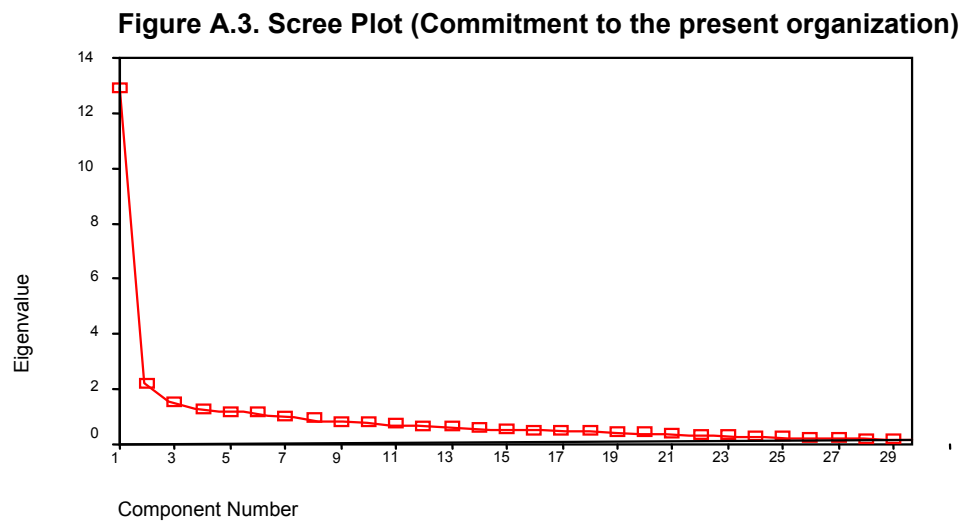
Thus, one factor structure explaining more than 45% (51%) of the variance, was determined as the number of factor to be used in the analysis

A.2. Commitment Scale

Firstly, Kaiser Criterion requires that only the factors whose eigenvalues greater than one are accepted as factors for the analysis. Two factors were identified with eigenvalues greater than one. However, after the third factor, the fourth factor explained increasingly less and less variance in all variables. Moreover, the fourth factor had an eigenvalue only slightly larger than 1 and it could explain only 3.86 %

of the variance. Therefore, it was concluded that three factor structures explained the variance quite well for the 33 commitment.

Secondly, scree plot criterion shows the eigenvalues plotted against factors. When looked at its shape, it can be judged that first factor show sharp drops compared to others. So, three factors are sufficient to explain variance in thirty-three commitment items.



Thirdly, Thorestone criterion and residual correlation matrix also implied that three-factor structure explaining more than 50% of the variance was convenient as the number of factor to be used in the analysis.

A.3. Changes in POS and Rewards Scales

Firstly, Kaiser Criterion requires that only the factors whose eigenvalues greater than one are accepted as factors for the analysis. Two factors were identified with eigenvalues greater than one for both scales. However, after the first factor, the

second factors explain increasingly less and less variance in all variables in both scales. Moreover, second factor had an eigenvalue only slightly larger than 1 and it can explain only 10.38 % (12.62 %) of the variance whereas the first factor explains about 53% (46%) of the variance in changes in POS and rewards respectively. Therefore, it was concluded that one factor structure explains the variance quite well for both scales.

Secondly, scree plot criterion shows the eigenvalues plotted against factors. When the shapes are viewed, it may be seen that the first factor shows sharp drops compared to others. So, the first factor is sufficient to explain variance in both scales.

Thirdly, Thorestone criterion requires that for a factor to remain in the analysis, the variables under that component have salient loadings. the component matrix showed that the first component includes variables with more salient, higher loadings compared to the second component. While the highest loadings are at the 0.80 levels for the first component, they are at the 0.20 levels for the second component.

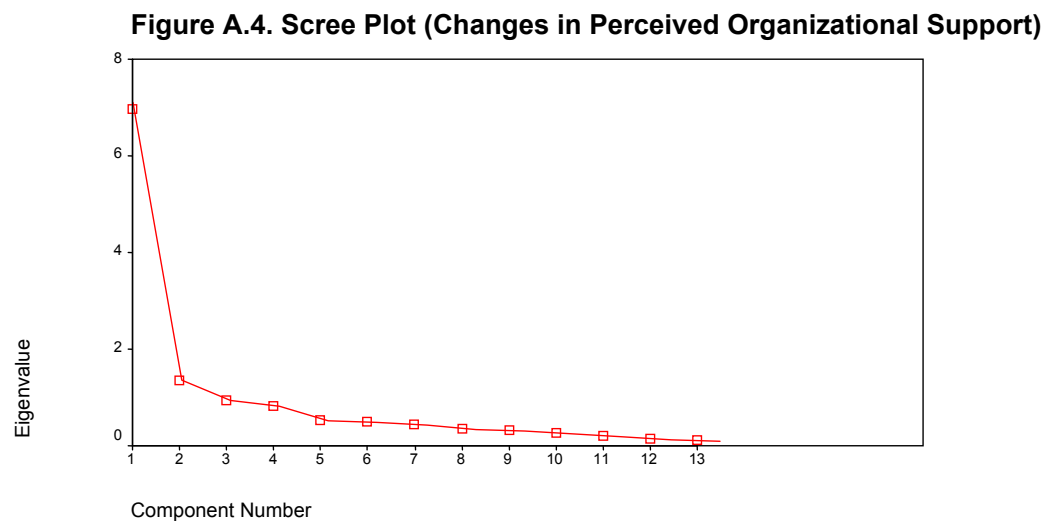
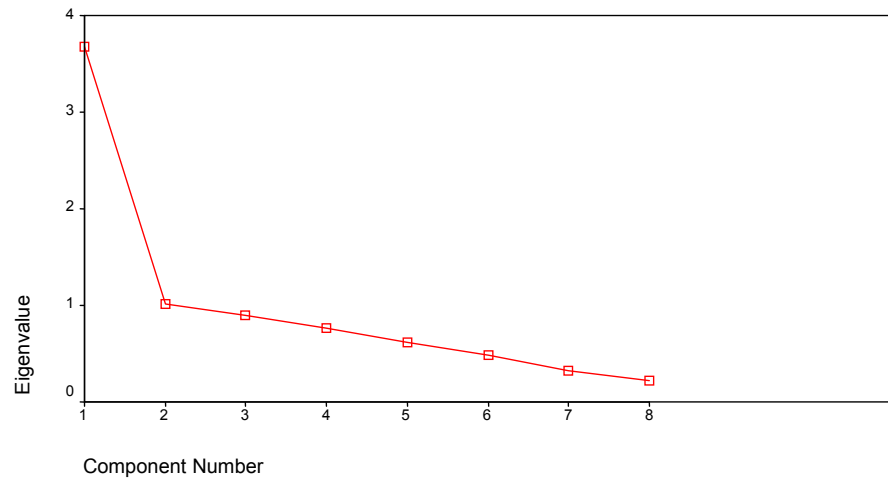


Figure A.5. Scree Plot (Changes in Organizational Rewards)



Lastly, when the residual correlation indicated that the residuals are smaller than 0,10 in general, implying that there is no factor needed to explain the variance in these variables.

Thus, one factor structure explaining more than 53% (46%) of the variance was determined as the number of factor to be used in the analysis.

APPENDIX B

ASSUMPTION TESTS IN STRUCTURAL EQUATION MODELING

B.1. Outliers

In order to find the univariate outliers in these scales, all scores on each variable were converted into their corresponding standardized z-scores by using SPSS Descriptives to see if there are some cases with more than 3,29 or less than -3,29 z-scores. No univariate outliers were identified.

In order to find multivariate outliers, Mahalanobis distance was calculated by using SPSS Regression. The distance of each case from the centroid of the remaining cases, where the centroid is the point created at the intersection of the means of all variables, was found and a new mahalanobis distance variable was created on the data sheet. In order to determine which cases are multivariate outliers, a critical value was determined from λ^2 table, where degrees of freedom (df) was 7 –the number of IVs- and alpha (α) was taken as 0,001. The critical value turned out to be 24.322. Since there were three cases with mahalanobis distance larger than 24.322 (critical value), they were excluded from the analyses.

B.2. Sample Size

Sample Size: For this model, after dealing with missing values and outliers, there were 216 cases and 7 observed variables. The ratio of cases to observed variables is ~30:1, which is very good given the statistical criteria of 18:1 for this ratio.

B.3. Multivariate Normality

Since the two components of normality are skewness and kurtosis, SPSS Frequencies was used to calculate the skewness and the kurtosis values of these distributions in order to determine whether these variables were normally distributed. All variables had skewness and kurtosis values within the range of [-1, 1]. Moreover, histograms of these variables show no significant skewness or kurtosis. Therefore, it can be concluded that there is no serious problem regarding normality for these variables.

In order to test the linearity assumption for each scale, SPSS Regression was used and Normal P-Plot curves were computed for transformed variables where residuals were plotted against predicted values. Since the residuals are approximately equally distributed above and below the zero line, it was concluded that linearity assumption was met for these seven variables.

In order to test the homoscedasticity assumption for each scale, SPSS Regression was used and Normal P-Plot curves were computed where standard residuals were plotted against predicted values. Since the band enclosing the residuals was approximately equal in width, that is, the spread did not become larger at some larger predicted values, it was concluded that homoscedasticity assumption was met for these variables.

B.4. Multicollinearity

In order to test the multicollinearity and singularity assumptions for each scale, SPSS Regression was used. As it can be seen in the appendix, the results show that the Tolerance Level for each variable were larger than 0,20, which is the criteria for multicollinearity and singularity. (Tolerance < 0,20 implies the existence of multicollinearity and singularity). Moreover, VIF values were smaller than 4. When the collinearity diagnostic table is considered, it is seen that there is no value larger than 30 in condition index. Furthermore, since there is no variable with at least two-variance proportion of 0,50 or more, it can be concluded that there is no multicollinearity or singularity problems for these seven variables.

B.5. Identifiability of the Measurement Model

In this model, with 7 measured variables, there are $(7(7+1))/2 = 28$ data points. The hypothesized model indicates that 17 parameters are to be estimated (7 regression coefficients, 3 covariances, 7 variances); therefore the model is over identified and is tested with 11 (28-17) degrees of freedom.

B.6. Identifiability of the Model I

In this model, with 7 measured variables, there are $(7(7+1))/2 = 28$ data points. The hypothesized model indicates that 17 parameters are to be estimated (9 regression

coefficients, 7 variances, 1 error correlation coefficient); therefore the model is over identified and is tested with 11 (28-17) degrees of freedom.

B.7. Identifiability of the Model II

In this model, with 7 measured variables, there are $(7(7+1))/2 = 28$ data points. The hypothesized model indicates that 17 parameters are to be estimated (9 regression coefficients, 7 variances, 1 error correlation coefficient); therefore the model is over identified and is tested with 11 (28-17) degrees of freedom.

APPENDIX C

ASSUMPTIONS TEST IN MANCOVA

C.1. Missing Values

In order to determine missing values for each item, SPSS Frequencies was used and 11 missing value on total tenure, 3 missing value on identification with the former bank, 4 missing value on identification with the present bank, 1 missing value on organizational commitment to the present bank 3 missing value on the changes that took place and 9 missing value on the perceived mode of acculturation was identified. In dealing with these missing values, mean substitution method was used and variables were created with missing values replaced by the mean on the variable for complete cases. However, since the perceived mode of acculturation is a categorical variable, and the number of cases in each category was very close to each other, the replacement was done such that the cases were randomly assigned to one of these four categories so that the percentage of cases in each category remained constant.

C.2. Outliers

In order to find univariate outliers to satisfy assumptions related to ANOVA, six variables were converted into their corresponding standardized z-scores in each cell

separately. Afterwards, the scores smaller than -3.29 and larger than 3.29 in each cell were identified as univariate outliers and dropped from the analysis. In Cell1a one case was deleted because it was turned out to be a univariate outlier. In other cells no univariate outlier was identified.

In order to find multivariate outliers Mahalanobis distance for six DVs was calculated in each cell separately by using SPSS regression. The distance of each case from the centroid of the remaining cases, where centroid is the point created at the intersection of the means of all variables, was found and new mahalanobis distance variables were created on the data sheet for each cell. In order to determine which cases are multivariate outliers, a critical value was determined from χ^2 table, where degrees of freedom (df) was five– the number of DVs– and alpha (α) was taken as 0.001. The critical value turned out to be 20.515. Given the critical value of 20.515, one multivariate outlier was identified and dropped from the analysis.

C.2. Multivariate Normality

In order to test the multivariate normality assumption in MANOVA, first, degrees of freedom for error was calculated to see if it is larger than 20. Since it is 208, much larger than 20. So, it can be concluded that the assumption of multivariate normality was met. Moreover, the number of cases in all cases except two cells, which also satisfy the assumption of multivariate normality. However, for these two cells, separate normality, linearity and homoscedasticity tests were conducted.

Since the two components of normality are skewness and kurtosis, in order to determine whether the variables in these cells were normally distributed, SPSS Frequencies was used to calculate the skewness and the kurtosis values of these

distributions. All variables had all S values very close to the range of [-1,1], which assures normality in terms of skewness. So, it can be concluded that skewness problem was not observed in these two distributions. As for the kurtosis, all eleven scales have the kurtosis values very close to the [-1,1] range. Therefore, it can be concluded that there is no serious problem for normality regarding kurtosis of these five distributions.

In order to test the linearity assumption for each scale, SPSS Regression was used and Normal P-Plot curves were computed where standard residuals were plotted against predicted values. Since the residuals are approximately equally distributed above and below the zero line, it was concluded that linearity assumption was met for the five DVs in each cell.

In order to test the multicollinearity and singularity assumptions for DVs, SPSS Regression was used. As it can be seen in the appendix, the results show that the Tolerance Level for each variable were larger than 0,30, which is the criteria for multicollinearity and singularity. (Tolerance < 0,30 implies the existence of multicollinearity and singularity). Moreover, VIF values were smaller than 4. When the collinearity diagnostic table is viewed, it is also seen that there is no variable with a condition index value greater than 0.30 and when looked at the variance proportions of the variables since there is no variable with at least two-variance proportion of 0,50 or more, it can be concluded that there is no multicollinearity or singularity problems for these five variables.

C.3. Homogeneity of Variance

In order to test the homogeneity of variance-covariance matrices in MANCOVA, Box M test was undertaken. The results showed that $F = 1.999$ $p < 0.001$, which is statistically significant, indicating that the assumption of homogeneity of variance-covariance matrix was not met. Therefore, F-max criterion and larger-smaller variance tests were also undertaken. As for the F-max test, the ratio of largest variance to smallest variance did not approach to 10:1 in any of the DVs. So, Fmax criterion was satisfied. Moreover, largest cell did not produce smallest variance and smallest cell did not produce the largest variance. This larger-smallest variance test indicated that there was no violation of homogeneity of variance. Since these two tests indicated that variance-covariance matrices within each cell of the design are sampled from the same population variance-covariance matrix and can reasonably be pooled to create a single estimate of error, it can be concluded that the assumption of the homogeneity of variance-covariance matrix was roughly met.

The assumption that the variance of the dependent variables (DVs) and the covariate (CV) within each cell of the design is a separate estimate of the same population variances were tested for each DV separately by using SPSS General Linear model. Levene's Test of Equality of Error variances table was statistically insignificant for identification with the former bank with $F_{id_old} (7,209) = 0.858$ $p > 0,05$, for identification with the present bank with $F_{id_newi} (7,209) = 0.778$ $p > 0,05$, and for commitment to the present bank with $F_{commit} (7,209) = 1.439$ $p > 0,05$, meaning that the null hypothesis that there exist homogeneity of variance for these variables was confirmed. However, Levene's Test of Equality of Error variances table turned out to be statistically significant for STAT_DIF with $F_{stat_dif} (7,209) =$

6.622 $p < 0,01$, and for changes in organizational benefits with $F_{\text{change}}(7,209) = 3.755$ $p < 0,05$. Since these variables violate the assumption of homogeneity of variance, a more conservative measure Pillai's criterion was decided to be used in interpreting the results of the multivariate statistics.

C.4. Homogeneity of Regression

In order to test the homogeneity of regression, syntax was used to see if the slope of regression between the DV and CVs within each cell is an estimate of the same population regression coefficient, that is to say, the slopes are equal for all cells. As it can be seen in the appendix D, results showed a sufficient homogeneity of regression for the analysis.

APPENDIX D

QUESTIONNAIRE

AÇIKLAMA

Bu araştırma, şirket birleşmelerinin çalışanlar üzerindeki etkilerini incelemeye yönelik olarak hazırlanmıştır. Lütfen anketi doldurmaya başlamadan önce ölçeklerin başında yer alan açıklamaları dikkatlice okuyunuz. Anketi eksiksiz olarak doldurmanız ve sorulara içtenlikle cevap vermeniz araştırmamızdan sağlıklı bilgiler edinebilmemiz için çok önemlidir. Lütfen, anlaşılmayan yerlerle ilgili sorularınızı ve eleştirilerinizi anketin sonunda yer alan geribildirimler bölümüne yazınız.

Ankette, katılımcılardan kimlik belirtici hiçbir bilgi istenmemektedir. Bu çalışmada toplanan veriler tamamen bilimsel amaçlarla kullanılacak ve cevaplar sadece araştırmacılar tarafından görülecektir. Katılım tamamıyla gönüllülük temelindedir; ancak, katılımınız araştırmamız için önemli bir katkı sağlayacaktır. Bu nedenle bütün soruları eksiksiz olarak cevaplamanız çok önemlidir. Bu araştırmaya yönelik sorularınızı aşağıda isimleri ve telefonları verilmiş olan kişilere yöneltebilirsiniz.

Katılımınız için şimdiden çok teşekkür ederiz.

Prof. Dr. Nuran Hortaçsu Tel: 0 (212) 336 79 94

Ar. Gör. R. Işıl Yavuz Tel: 0 (312) 210 30 65

1.

Cinsiyetiniz: ____ Bayan ____ Bay

Yaşınız: _____

Eğitiminiz:

--- lise

--- iki yıllık yüksekokul

--- üniversite (dört yıllık fakülte)

--- yüksek lisans

--- doktora

Kaç yıldır çalışıyorsunuz (bu kurumdaki ve daha önce çalıştığınız yerlerdeki süre dahil)?:

----- ay ----- yıl

2.

1. Ziraat bankası-Emlak bankası 2001 yılının Temmuz ayında birleştiğinde Eski Ziraat Bankası'nda **2001 Temmuzuna kadar** olan hizmet süreniz?

_____ yıl _____ ay

2. 2001 Temmuzunda Ziraat Bankası-Emlak Bankası birleşmesi gerçekleşmeden önce eski Ziraat Bankası'ndaki son görevinizi işaretleyiniz

- ☐ Genel müdür
- ☐ Genel müdür yardımcısı
- ☐ Daire başkanı
- ☐ Bölüm müdürü
- ☐ Şube müdürü
- ☐ Yönetmen
- ☐ Uzman
- ☐ Müfettiş
- ☐ Müfettiş yardımcısı
- ☐ Uzman yardımcısı
- ☐ Yönetmen yardımcısı
- ☐ Asistan servis yetkilisi
- ☐ Asistan servis görevlisi
- ☐ Diğer (Belirtiniz) _____

3. Bankada şu andaki mevcut göreviniz ve bu görevdeki hizmet süreniz?

- | | |
|--|--------------------|
| <input type="radio"/> Genel müdür | _____ yıl _____ ay |
| <input type="radio"/> Genel müdür yardımcısı | _____ yıl _____ ay |
| <input type="radio"/> Daire başkanı | _____ yıl _____ ay |
| <input type="radio"/> Bölüm müdürü | _____ yıl _____ ay |
| <input type="radio"/> Şube müdürü | _____ yıl _____ ay |
| <input type="radio"/> Yönetmen | _____ yıl _____ ay |
| <input type="radio"/> Uzman | _____ yıl _____ ay |
| <input type="radio"/> Müfettiş | _____ yıl _____ ay |
| <input type="radio"/> Müfettiş yardımcısı | _____ yıl _____ ay |
| <input type="radio"/> Uzman yardımcısı | _____ yıl _____ ay |
| <input type="radio"/> Yönetmen yardımcısı | _____ yıl _____ ay |
| <input type="radio"/> Asistan servis yetkilisi | _____ yıl _____ ay |
| <input type="radio"/> Asistan servis görevlisi | _____ yıl _____ ay |
| <input type="radio"/> Diğer (Belirtiniz) _____ | _____ yıl _____ ay |

4. İş yaşamınızda şimdiye kadar (Ziraat Bankası-Emlak bankası birleşmesi hariç) kaç örgüt birleşmesini bizzat yaşadığınızı aşağıdaki boşluğa yazınız.

5. Şu anda çalışmakta olduğunuz şube/bölümdeki hizmet süreniz?

- _____ yıl _____ ay
6. Şu anda çalışmakta olduğunuz şube/bölümdeki çalışma arkadaşlarınızın :
- _____ tanesi Eski Ziraat Bankası'ndan
_____ tanesi Eski Emlak Bankası'ndan
_____ tanesi birleşmeden sonra atandı
+ _____ toplam
7. Şu anda birlikte çalışmakta olduğunuz amirlerinizin:
- _____ tanesi Eski Ziraat Bankası'ndan
_____ tanesi Eski Emlak Bankası'ndan
_____ tanesi Birleşmeden sonra atandı
+ _____ toplam
8. Size göre Ziraat Bankası Emlak Bankası birleşmesi gerçekleşmeden önce, Eski Ziraat Bankası ve Eski Emlak Bankası aşağıdaki alanlardan hangilerinde eşit derecede prestij sahibiydi?
- ☐ Karlılık
 - ☐ Denetim
 - ☐ Pazarlama
 - ☐ Operasyon
 - ☐ Krediler
 - ☐ İnsan Kaynağı
 - ☐ Risk yönetimi
 - ☐ Bilişim
 - ☐ Müşterilerle ilişkiler
 - ☐ Dış tanıtım

Eski Ziraat Bankası Eski Emlak Bankası'ndan aşağıdaki alanlardan hangilerinde daha fazla prestij sahibiydi?

- ☐ Karlılık
- ☐ Denetim
- ☐ Pazarlama
- ☐ Operasyon
- ☐ Krediler
- ☐ İnsan Kaynağı
- ☐ Risk yönetimi
- ☐ Bilişim
- ☐ Müşterilerle ilişkiler
- ☐ Dış tanıtım

Eski Emlak Bankası Eski Ziraat Bankası'ndan aşağıdaki alanlardan hangilerinde daha fazla prestij sahibiydi?

- ☐ Karlılık
- ☐ Denetim
- ☐ Pazarlama
- ☐ Operasyon
- ☐ Krediler
- ☐ İnsan Kaynağı
- ☐ Risk yönetimi

- Bilişim
- Müşterilerle ilişkiler

9. Bugünkü iş piyasasında yeni bir iş bulma şansınızı nasıl değerlendiriyorsunuz?

1	2	3	4	5
İş değiştirmek çok zor	İş değiştirmek biraz zor	İş değiştirmek ne kolay ne de zor	İş değiştirmek biraz kolay	İş değiştirmek çok kolay

3.

“Kurum kültürü, o kurumun anlamını üyelerine yansıtan, insanların davranışlarını yönlendirecek davranış kalıplarını ortaya koyan ve kurum üyeleri tarafından paylaşılan inanç, beklenti ve değerler sistemidir.”

Lütfen aşağıdaki soruları bu tanıma uygun olarak cevaplayınız.

1. Birleşmeden bu yana siz ve önceki bankanızdan çalışma arkadaşlarınız eski banka kültürünüzü korumayı ve sürdürmeyi ne kadar istiyorsunuz? (Lütfen rakamı daire içine alınız)

1 _____ 2 _____ 3 _____ 4 _____ 5
Tamamen Hiç
istiyorum
istemiyorum

2. Birleştiğiniz bankanın kültürü, size ve önceki bankanızdan çalışma arkadaşlarınıza ne kadar cazip ya da çekici geliyor? ? (Lütfen rakamı daire içine alınız)

1 _____ 2 _____ 3 _____ 4 _____ 5
Çok cazip Hiç
cazip değil
geliyor
gelmiyor

3. Aşağıdakilerden hangisi önceki bankanız ile yeni birleştiğiniz bankanın kültürel olarak bir araya geliş biçimini en iyi anlatmaktadır? (Yalnız bir seçeneği işaretleyiniz)

- a. Bankalardan birinin kültürü diğerinin kültürüne tamamen hakim olmuş durumda.
- b. Her iki bankanın da önemli kültürel unsurları bir arada ve kaynaşmış bir şekilde yaşıyor.
- c. Her iki bankada önceki kültürlerini aynen koruyorlar, birleşme sadece kağıt üstünde.
- d. Her iki bankanın da önceki kültürlerinden tamamen bağımsız yeni bir kültür var

4. Aşağıdaki cümleler kişilerin çalıştıkları kuruluş hakkında çeşitli duygu ve fikirlerini yansıtmaktadır. Lütfen bu cümlelere **ŞU ANDA ÇALIŞTIĞINIZ BANKA (YENİ ZİRAAT BANKASI)** açısından ne ölçüde katıldığınızı belirtiniz. Her soru için, katılım derecenizi belirten rakamı cümlenin solundaki kutuya işaretleyiniz.

1 = ÇOK UYGUN 2 = UYGUN 3 = NE UYGUN NE UYGUN DEĞİL 4 = UYGUN DEĞİL 5 = HİÇ UYGUN DEĞİL					
Ziraat Bankası çalışanı olmanın övünülecek pek az şeyi olduğunu düşünüyorum.	1	2	3	4	5
Ziraat Bankası çalışanı olmak ile ilgili olumlu duygularım var.	1	2	3	4	5
Ziraat Bankası çalışanlarına pek az saygı duyuyorum.	1	2	3	4	5
Ziraat Bankası çalışanı olduğumu söylememeyi tercih ediyorum.	1	2	3	4	5
Kendimi diğer Ziraat Bankası çalışanlarıyla özdeşleştiriyorum.	1	2	3	4	5
Diğer Ziraat Bankası çalışanları gibiyim.	1	2	3	4	5
Ziraat Bankalı olmak kimliğimin önemli bir yansımasıdır.	1	2	3	4	5
Ziraat Bankası'nda kendi isteğimle çalışmaya başladım.	1	2	3	4	5
Ziraat Bankası çalışanı olmayı sevmiyorum.	1	2	3	4	5
Ziraat Bankası yerine başka bir bankada çalışmayı isterdim.	1	2	3	4	5

Aşağıdaki cümleler kişilerin çalıştıkları kuruluş hakkında çeşitli duygu ve fikirlerini yansıtmaktadır. Lütfen bu cümlelere **ESKİ ÇALIŞTIĞINIZ BANKA (ESKİ ZİRAAT BANKASI)** açısından ne ölçüde katıldığınızı belirtiniz. Her soru için, katılım derecenizi belirten rakamı cümlenin solundaki kutuya işaretleyiniz.

1 = ÇOK UYGUN 2 = UYGUN 3 = NE UYGUN NE UYGUN DEĞİL 4 = UYGUN DEĞİL 5 = HİÇ UYGUN DEĞİL					
Eski Ziraat Bankası'nda çalışırken bir Eski Ziraat Bankası çalışanı olmanın övünülecek pek az şeyi olduğunu düşünüyordum.	1	2	3	4	5
Eski Ziraat Bankası'nda çalışırken Eski Ziraat Bankası çalışanı olmak ile ilgili olumlu duygularım vardı.	1	2	3	4	5
Eski Ziraat Bankası'nda çalışırken Eski Ziraat Bankası çalışanlarına pek az saygı duyuyordum.	1	2	3	4	5
Eski Ziraat Bankası'nda çalışırken bir Eski Ziraat Bankası çalışanı olduğumu söylememeyi tercih ediyordum.	1	2	3	4	5
Eski Ziraat Bankası'nda çalışırken kendimi diğer Eski Ziraat Bankası çalışanlarıyla özdeşleştiriyordum.	1	2	3	4	5
Eski Ziraat Bankası'nda çalışırken diğer Eski Ziraat Bankası çalışanları gibiydim.	1	2	3	4	5
Eski Ziraat Bankası'nda çalışırken Eski Ziraat Bankası olmak kimliğimin önemli bir yansımasıydı.	1	2	3	4	5
Eski Ziraat Bankası'nda kendi isteğimle çalışmaya başlamıştım.	1	2	3	4	5
Eski Ziraat Bankası'nda çalışırken Eski Ziraat Bankası'nın bir çalışanı olmayı sevmiyordum.	1	2	3	4	5
Eski Ziraat Bankası'nda çalışırken Eski Ziraat Bankası yerine başka bir bankada çalışmayı istiyordum.	1	2	3	4	5

6. Aşağıdaki cümleler kişilerin çalıştıkları kuruluş hakkında çeşitli duygu ve fikirlerini yansıtmaktadır. Lütfen bu cümlelere **ŞU ANDA ÇALIŞTIĞINIZ BANKA (YENİ ZİRAAT BANKASI)** açısından ne ölçüde katıldığınızı belirtiniz. Her soru için, katılım derecenizi belirten rakamı cümlenin solundaki kutuya yazınız.

1 = Kesinlikle KATILMIYORUM 2 = Katılmıyorum 3 = Bir parça katılmıyorum 4 = Tarafsızım 5 = Bir parça katılıyorum 6 = Katılıyorum 7 = Kesinlikle KATILIYORUM							
Meslek hayatımın kalan kısmını bu kuruluşta geçirmek beni çok mutlu eder.	1	2	3	4	5	6	7
Şu anda kuruluşumda kalmak istek meselesi olduğu kadar mecburiyetten.	1	2	3	4	5	6	7
Daha iyi bir imkan çıkarsa, mevcut kuruluşumdan ayrılmamın ayıp olmadığını düşünüyorum.	1	2	3	4	5	6	7
Kuruluşuma karşı güçlü bir aitlik hissim yok.	1	2	3	4	5	6	7
İstesem de, şu anda kuruluşumdan ayrılmak benim için çok zor olurdu.	1	2	3	4	5	6	7
Bu kuruluşun benim için çok kişisel (özel) bir anlamı var.	1	2	3	4	5	6	7
Bu işyerinden ayrılıp burada kurduğum kişisel ilişkileri bozmam doğru olmaz.	1	2	3	4	5	6	7
Şu anda kuruluşumdan ayrılmak istediğime karar versem, hayatımın çoğu alt üst olur.	1	2	3	4	5	6	7
Bu kuruluşun meselelerini gerçekten de kendi meselelerim gibi hissediyorum.	1	2	3	4	5	6	7
Yeni bir işyerine alışmak benim için zor olurdu.	1	2	3	4	5	6	7
Bu kuruluşa kendimi “duygusal olarak bağlı” hissetmiyorum.	1	2	3	4	5	6	7
Başka bir işyerinin buradan daha iyi olacağını garantisi yok, burayı hiç olmazsa biliyorum.	1	2	3	4	5	6	7
Buradaki işimi kendi özel işim gibi hissediyorum	1	2	3	4	5	6	7
Buradaki insanlara karşı yükümlülük hissettiğim için kuruluşumdan şu an ayrılamazdım.	1	2	3	4	5	6	7
Kuruluşuma çok şey borçluyum.	1	2	3	4	5	6	7
Biraz daha fazla para için mevcut işyerimi değiştirmeyi ciddi olarak düşünmezdim	1	2	3	4	5	6	7
Bu işyerinden ayrılıp başka bir yerde sıfırdan başlamak istemezdim.	1	2	3	4	5	6	7
Kendimi kuruluşumda “ailenin bir parçası” gibi hissetmiyorum.	1	2	3	4	5	6	7

1 = Kesinlikle KATILMIYORUM 2 = Katılmıyorum 3 = Bir parça katılmıyorum 4 = Tarafsızım 5 = Bir parça katılıyorum 6 = Katılıyorum 7 = Kesinlikle KATILIYORUM							
Benim için avantajlı da olsa, kuruluşumdan şu anda ayrılmanın doğru olmadığını hissediyorum.	1	2	3	4	5	6	7
Bu kuruluşa sadakat göstermenin görevim olduğunu düşünüyorum.	1	2	3	4	5	6	7
Bu kuruluşa gönül borcu hissediyorum.	1	2	3	4	5	6	7
Bu kuruluştan ayrılmanın az sayıdaki olumsuz sonuçlarından biri alternative kıtlığı olurdu.	1	2	3	4	5	6	7
Kuruluşum maddi olarak zor durumda olsa bile, sonuna kadar kalırdım.	1	2	3	4	5	6	7
Bu kuruluşun bir çalışanı olmanın gurur verici olduğunu düşünüyorum.	1	2	3	4	5	6	7
Mevcut işverenimle kalmak için hiçbir manevi yükümlülük hissetmiyorum.	1	2	3	4	5	6	7
Bu kuruluşu bırakmayı düşünemeyeceğim kadar az seçeneğim olduğunu düşünüyorum	1	2	3	4	5	6	7
Bu kuruluşun amaçlarını benimsiyorum.	1	2	3	4	5	6	7
Mevcut kuruluşumdan ayrılıp birlikte çalıştığım insanları yarı yolda bırakmak istemem.	1	2	3	4	5	6	7
Bu kuruluş sayesinde ekmek parası kazanıyorum, karşılığında sadakat göstermeliyim.	1	2	3	4	5	6	7
Eğer bu kuruluşa kendimden bu kadar çok şey vermiş olmasaydım, başka yerde çalışmayı düşünebilirdim.	1	2	3	4	5	6	7
Kuruluşumdan şimdi ayrılısam kendimi suçlu hissedirim.	1	2	3	4	5	6	7
Zaman geçtikçe mevcut kuruluşumdan ayrılmanın gittikçe zorlaştığını hissediyorum.	1	2	3	4	5	6	7
Bu kuruluş benim sadakatimi hak ediyor.	1	2	3	4	5	6	7

7. Aşağıdaki sorular birleşme ile birlikte ortaya çıkan değişiklikleri anlamaya yöneliktir. Lütfen soruları yanıtlarken **SADECE ZİRAAT BANKASI İLE EMLAK BANKASI'NIN BİRLEŞMESİ SONUCU ORTAYA ÇIKAN DEĞİŞİKLİKLERİ** düşününüz.

1. Maaşınız:

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

2. Yan gelirleriniz:

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

3. Emeklilik koşullarınız:

1	2	3	4	5
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu

4. Bağlı olduğunuz sosyal güvenlik kurumu:

1	2	3	4	5
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu

5. Yaptığınız işin niteliği

İyi/Kötü

1	2	3	4	5
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu

Zor/Kolay

1	2	3	4	5
Çok daha zorlaştı	Biraz daha zorlaştı	Aynı kaldı	Biraz daha kolaylaştı	Çok daha kolaylaştı

İlginç/Sıkıcı

1	2	3	4	5
Çok daha ilginç oldu	Biraz daha ilginç oldu	Aynı kaldı	Biraz daha sıkıcı oldu	Çok daha sıkıcı oldu

İş üzerinde kişisel kontrolünüzü kullanabilme

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

İşte kişisel yeteneklerinizi kullanabilme

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

6. İş yükünüz:

1	2	3	4	5
Çok azaldı	Biraz azaldı	Hiç değişmedi	Biraz arttı	Çok arttı

7. Unvanınız:

1	2	3	4	5
Çok alçaldı	Biraz alçaldı	Hiç değişmedi	Biraz arttı	Çok arttı

8. Çalıştığınız ortamın fiziksel niteliği:

1	2	3	4	5
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu

9. Çalışma arkadaşlarınızla ilişkileriniz:

Çalışma arkadaşlarınızla aranızdaki yardımlaşma

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Çalışma arkadaşlarınızla aranızdaki rekabet

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Çalışma arkadaşlarınızla aranızdaki çatışma

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Çalışma arkadaşlarınızla aranızdaki gerilim

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Çalışma arkadaşlarınızla birbirinize destek olma

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Çalışma arkadaşlarınızla iş dışı arkadaşlık

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

10. Yöneticilerinizle ilişkileriniz:

Yöneticiniz tarafından iş ile ilgili konularda zamanında geri bildirim alma

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Yöneticiniz tarafından iş ile ilgili konularda zamanında ve doğru bilgilendirilme

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Yöneticiniz tarafından iş ile ilgili konularda doğru bir şekilde yönlendirilme

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Yöneticiniz tarafından iş ile ilgili konularda fikrinizin sorulması

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Yöneticiniz tarafından adil bir şekilde ödüllendirilme

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Yöneticinize gerektiğinde kolayca ulaşabilme imkanı

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Yöneticinizin çalışanlarının meslek içi eğitimini sağlaması

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

Yöneticinizle iş dışı arkadaşlık

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

11. İşinizde gelecekteki yükselme fırsatları:

1	2	3	4	5
Çok azaldı	Biraz azaldı	Aynı kaldı	Biraz arttı	Çok arttı

12. Performans ölçme ve değerlendirme sistemi:

1	2	3	4	5
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu

13. Meslek içi eğitim olanakları:

1	2	3	4	5
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu

14. İşiniz ile ilgili aldığınız destek hizmetleri nasıl değişti?

(14. soruda lütfen sadece size uygun olmayan alt maddeler için lütfen ilgili değil kutucuğunu işaretleyiniz.)

Sekreteryaya hizmetleri

1	2	3	4	5	6
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu	İlgili Değil

Ulaşım hizmetleri (servis..vb.)

1	2	3	4	5	6
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu	İlgili Değil

Teknik alt yapı (Bilgisayar ve bilişim alt yapısı)

1	2	3	4	5	6
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu	İlgili Değil

Haberleşme hizmetleri (telefon, belge geçer ..vb.)

1	2	3	4	5	6
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu	İlgili Değil

Yiyecek-İçecek hizmetleri

1	2	3	4	5	6
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu	İlgili Değil

Spor/sosyal tesisler

1	2	3	4	5	6
Çok daha iyi oldu	Biraz daha iyi oldu	Aynı kaldı	Biraz daha kötü oldu	Çok daha kötü oldu	İlgili Değil