



ACADEMY OF MANAGEMENT ODC NEWSLETTER

Organization Development and Change Division

R. Wayne Boss, Editor

Summer 2014

Published by the ODC Division

ORGANIZATION DEVELOPMENT AND CHANGE 2014 MEETING PROGRAM

David Grant

Scholarly Program Chair

Julie Wolfram Cox

Professional Development Workshop Chair

ODC has created an exciting program for this year’s conference at Philadelphia. It comprises paper sessions, PDWs and symposia—often with an international flavor—that will appeal to those from across the Academy as well as ODC division members. Of the 65 sessions on our program this year, many directly engage with the meeting theme “The Power of Words” and do so in imaginative, thought-provoking ways. Other sessions, which will be of interest to both scholars and practitioners alike, will address key organizational change related issues through high quality research and dialogue that advances both theory and practice. In this newsletter we have chosen to highlight a few of the many excellent sessions that might be of interest and at which we hope to see you:

We are delighted to announce that this year’s ODC Distinguished Speaker is Gareth Morgan. Gareth is Distinguished Research Professor, at the *Schulich School of Business, York University*, Canada. He is known for his numerous and significant contributions to the study of organizations and to social science research more broadly. His talk is titled *Some Reflections on the Evolution of Organization and Management Research*. In it, he will share his latest thinking on the development of organization and management theory and the role played by core assumptions, evocative metaphor, and detailed concepts in shaping how we understand organizations and related domains of practice, including organization development and change. Special attention will be devoted to the relationship between words and actions, and the tendency of academic research to unintentionally downplay the importance of understanding the dynamics of the context in which all action is set. The aim will be to set the basis for fur

(See Grant and Cox, page 2)

CYNICAL ABOUT CHANGE? A META-ANALYSIS OF ORGANIZATIONAL CYNICISM CORRELATES

Tomas G. Thundiyil

Texas A&M University

Dan S. Chiaburu

Texas A&M University

In-Sue Oh

Temple University

George C. Banks

Longwood University

Ann Peng

Ivey Business School

2014 ODC Division Best Paper Award

Given that much of the organizational change literature has been developed from the level of the organization, there is still quite a bit of work to be done to understand the effects of the individual (Oreg, Todnem By & Michel, 2013). Despite research suggesting the importance of individual influences on the process of organizing (e.g., Barrick & Mount, 1991), many scholars still believe

(See Thundiyil et al., page 6)

Table of Contents

David Grant & Julie Wolfram Cox, Organization Development and Change 2014 Meeting Program	1
Tomas G. Thundiyil, Dan S. Chiaburu, In-Sue Oh, George C. Banks, & Ann Peng, Cynical About Change? A Meta-Analysis of Organizational Cynicism Correlates, 2014 ODC Division Best Paper Award	1
ODC Executive Committee	2
Jane McKenzie, Christine van Winkelen & Jean Bartunek, Elaborating from Practice on the Theoretical Model of Engaged Scholarship, 2014 ODC Division Best Rupert F. Chisholm Theory-to-Practice Award	9
Natalia Vuori, Dancing Between Illusion and Reality: Decoupling in Post-Acquisition Integration, 2014 ODC Division Best Paper Based on a Dissertation Award	13
David P. Grogan, Beyond Formal Contracts: The Post Merger Integration Experience of Acquired Executives, 2014 ODC Division Best Student Paper Award	17
Feedback to the Editor	23

**ODC DIVISION EXECUTIVE
COMMITTEE 2013-2014**

Jeffrey Ford, Division Chairperson
Ohio State University
Email: ford.1@osu.edu

Sonja Sackmann, Division Chair Elect
University Bw Munich, Gallen, Switzerland
Email: ssackmann@hispeed.ch

David Grant, Program Chair
University of Sydney, Sydney, Australia
Email: david.grant@sydney.edu.au

Julie Wolfram Cox, PDW Chair
Monash University, Victoria, Australia
Email: julie.wolfram.cox@monash.edu

John Amis, Representative-at-Large (5-year term)
University of Edinburgh, United Kingdom
Email: john.amis@ed.ac.uk

Nancy Wallis, Representative-at-Large (2-year term)
Pitzer College, Newport Coast, CA
Email: nancy.wallis@pitzer.edu

Bill Cooke, Representative-at-Large (2-year term)
Lancaster University, United Kingdom
Email: b.cooke@lancaster.ac.uk

*Robert Carpino, Executive Scholar-Practitioner
(2-year term)*
Quest Diagnostics
Email: Robert.Carpino@calstatela.edu

*Katherine (Kate) Heynoski, Executive Scholar-
Practitioner (2-year term)*
Battelle for Kids
Email: kheynoski@battelleforkids.org

Julie Smendzuik-O'Brien, Student Representative
Fielding Graduate University
Email: jsmendzuik@gmail.com

*Quy Nguyen Huy, International Representative-at-
Large*
INSEAD, Fontainebleau, France
Email: quy.huy@insead.edu

Gavin Schwarz, Secretary/Treasurer
University of New South Wales
Email: g.schwarz@unsw.edu.au

Andre Avramchuk, Director of Communications
California State University
Email: arttooz@aol.com

R. Wayne Boss, Newsletter Editor
University of Colorado at Boulder
Email: wayne.boss@colorado.edu

(From Grant and Cox, page 1)

ther dialogue and debate about these issues. This keynote (Program # 17871) will be held Monday, Aug. 4, 3:00–4:30 PM, Pennsylvania Convention Center, Room 114, Auditorium Lecture Hall.

A key feature of our PDW program is the *ODC Doctoral Consortium*, which this year is convened by Sonja Sackmann. The Consortium will include presentations on improving journal submissions, lessons learned from established researchers, an editorial panel on topics, trends and trajectories in the field of change, as well as small group sessions with senior scholars where feedback and suggestions will be given on students' dissertation plans. Sessions will run on Friday, Aug. 1, 8:30 AM–5:00 PM (#10599), and Saturday, Aug 2, 8:30 AM–2:00 PM (#10436), Pennsylvania Convention Center, Room 104 A and B.) The consortium also includes an off-site dinner on the Friday night during which doctoral students will be able to meet with each other and with ODC board members in an informal setting. Those who have participated previously have commented on the value to them of this event, in terms of both their PhD studies and career planning. Please note: the consortium is only open to those who have pre-registered.

Other highlights of our PDW program include an interactive session in which Stuart Albert, Frank Barrett and Edgar Schein will discuss *Leadership as Building Relationships: Timing, Improvisation and Humble Inquiry* (#16966). This workshop will bring together authors of three books concerned with leaders' roles in creating and nurturing relational responsiveness. It will also emphasize (and demonstrate!) the art of timing, the creative potential of improvisation, and the art of asking humble questions. The workshop takes place Saturday, Aug 2, 2:30–5:30 PM, Pennsylvania Convention Center, Room 119 B.

Post-merger integration is a complex and challenging process that has attracted much attention from scholars and practitioners, and bears important consequences for organizational performance. We are therefore delighted to be able to host a PDW titled *Post-merger Integration: Research, Practice & Teaching* (#13600). The session will be held Saturday, Aug 2, 2:15–5:15 PM, Pennsylvania Convention Center, Room 107 B. It will be facilitated by Taco Reus and Quy Huy and aims to share cutting-

edge research and teaching and to gain deeper insight from scholar-practitioners. It will deepen understanding of the post-merger integration process by bringing together scholars from diverse sub-disciplines along with executives who manage and live through post-merger integration.

For those able to arrive early, a PDW that is particularly relevant to this year's conference theme is *Navigating Institutional Complexity: Using the Power of Words for Cross-Level Change* (#14001). This PDW occurs Friday, Aug 1, 8:00–11:00 AM, Pennsylvania Convention Center, Room 120 B, and is led by Danielle Zandee, Cliff Oswick, Hans Vermaak, and Bob Marshak. They will look at organizational change in the context of macro-level transitions toward a more sustainable society and explore how textual agency may help navigate the incompatibility of contrasting institutional logics, and at how such navigation may enable the concurrent use of contrasting approaches to change. They will also explore how descriptive studies of institutional work and embedded agency can be enacted and advanced through a range of dialogic OD interventions.

For over 50 years, *The Journal of Applied Behavioral Science* has provided a valuable platform for scholars and practitioners of Organizational Development and Change to share new research-based insights. The Showcase Symposium *Fifty Years of Powerful words: A Retrospective and Prospective Look at the Impact of JABS* (#12052) promises to celebrate and review some of the key scholarly contributions to ODC and to offer a forum in which to consider and debate the future of the field. Co-sponsored by ODC and MC, the session will take place Monday, Aug. 4, 11:30 AM–1:00 PM, Pennsylvania Convention Center, Rm. 112B. In keeping with the Division's commitment to building and leveraging off of scholar-practitioner links this year's program also includes the Showcase Symposium, *Scholar Practitioner Collaboration in Entrepreneurship Research, Education and Practice: What Works?* (#17770). Co-sponsored by the ENT, ODC and MC divisions it will be held in Sheraton Philadelphia Downtown Hotel, Freedom E. The Showcase Symposium *Strategizing, Change and Identity* (#10822) looks at how strategizing influences organizational identity work and influences strategic organizational change. It will take place Monday, Aug. 4, 11:30

AM–1:00 PM, Sheraton Philadelphia Downtown Hotel, Logan's 1 & 2, and is co-sponsored by SAP and ODC.

Several of our paper sessions align with this year's overall topic. These include *Discourse Language and Change* (#18252) in which presenters consider how change might be influenced by discourse or even as a discursive practice in its own right. The session takes place Monday, Aug. 4, 1:15–2:45 PM, Pennsylvania Convention Center, Rm. 116. Other paper sessions consider a range of contemporary change-related phenomena and will bring participants up to speed with the latest thinking in our field. A good example of this is the session *Engagement and Organizational Change* (#18250) in which papers examine "employee engagement" from a variety of perspectives. This will take place Monday, Aug. 4, 11:30AM–1.00 PM, Pennsylvania Convention Center, Rm. 103A. Paper sessions such as *Practice, Actionable Knowledge and Learning for Change* (#18253) again draw attention to the important scholar-practitioner links established in our division. Here, presenters will look at issues such as theory-practice links, engaged scholarship and how praxis might inform action research based approaches to change. The session will be held Monday, Aug. 4, 1:15–2:45 PM, Pennsylvania Convention Center, Rm. 103A.

We congratulate our award winning authors for submitting their outstanding papers to our division. This year's winners are:

ODC Best Paper Award: Tomas Thundiyil (Texas A&M), Dan S. Chiaburu (Texas A&M), George Christopher Bank (Longwood University), and Ann Chunyan Peng (University of Western Ontario), *Cynical About Change? A Meta-Analysis of Organizational Cynicism Correlates.*

ODC Best Rupert Chisolm Best Theory to Practice Award: Jane E. McKenzie (Henley Management College), Christine M. Van Winkelen (Henley Management College), and Jean M. Bartunek (Boston College), *Elaborating From Practice on the Theoretical Model of Engaged Scholarship.*

ODC Best Student Paper Award: David Grogan (Case Western Reserve), *Beyond Formal Contracts: The Post Merger Integration Experience of Acquired Executives.*

ODC Best Paper Based on a Dissertation Award: Natalia Vuori (Aalto U. Finland), *Dancing Between Illusion and Reality: Decoupling in Post-Acquisition Integration.*

We hope these examples from this year's ODC Division program give you a good sense of the many terrific sessions on offer and will encourage you to participate in them. We are looking forward to stimulating discussions that will advance the study and practice of current issues related to organization development and change.

Thank You!

This year's ODC program would not be possible without help from a lot of people. Special thanks go to Mimi Clarke of Monash University Melbourne Australia, who has provided invaluable assistance in helping us put together and coordinate this year's program. Thanks as well to the many AoM staff and AoM Program Team who have given us outstanding support over the last 12 months especially Jel Erica Hampson, Kerry Ignatz, Michelle L. Donohue and Gabe Bramson. We would also like to thank members of the ODC Board who have always been on hand to give us extremely valuable and thoughtful advice.

Finally, we would like to thank all of you who volunteered as reviewers and session chairs. Creating an exciting high quality program, such as the one we have this year, depends on your dedication and willingness to serve the ODC Division in these important ways. Specifically, we would like to thank the following colleagues, who received the *ODC Division Best Reviewer Awards*: Victor J. Friedman (Max Stern Jezreel Valley College in Israel) and Paula Ungureanu (Northwestern University).

A Special Thanks to Reviewers & Session Chairs

We express our sincere appreciation and gratitude to the following people for their valuable service in reviewing submissions for this year's meetings: eLaura Achee, Ole Miss U.; Donald P Addison II, Case Western Reserve U.; John Matthew Amis, U. of Edinburgh Business School, United Kingdom; Payal Anand, Indian Institute of Management, Indore, India; Phyllis R. Anderson, Governors State U.; Katsuki Aoki, Meiji U., Japan; Vishal Arghode, Gannon U.; Dr. Ademola A. Asaya, Strayer U.; Lee Ann Avery, Fielding Graduate Institute; Amran

Awang, U. Teknologi Mara (UiTM), Malaysia; Mila N. Baker, New York U.; Umesh Kumar, Bamel Narsee Monjee Institute of Management Studies (NMIMS), India; Diane Bandow, Troy U.; Jean M. Bartunek, Boston College; Danielle Beu Ammeter, American Heart Association; Sherri Black, Benedictine U.; Deborah A. Blackman, U. of New South Wales, Australia; Melvin Blumberg, Pennsylvania State U., Harrisburg; Fred C. Bolton; Averett U.; Alyncia Magdalene Bowen, Franklin U.; Bart Brock, The Coleman Company, Inc.; Shannon Brown, U. of St. Francis; Kim Lanette Brown-Jackson, The National Graduate School of Quality Management; Barbara Benedict, Bunker U. at Buffalo, The State U. of New York; Anthony F. Buono, Bentley U.; Vincent Cassar, Birkbeck College, U. of London, Malta; Maurice Mo, Cayer U. of New Haven; Sheila Chickene, BASF Corporation; Holly H. Chiu, City U. of New York-Brooklyn College; Chee-Leong Chong, Sim U., Singapore; Kenneth U. Chukwuba, Walden U.; Goo Hyeok Chung, Seoul National U.; South Korea; Allan H. Church, PepsiCo, Inc; David Coghlan, Trinity College Dublin, Ireland; April Coleman (affiliation not listed); Philip Cordes-Berszinn, Jacobs U. Bremen, Germany; Jana Craft, Winona State U.; Dane Richard D'Alessandro, Benedictine U.; Leon De Caluwe, Vrije U. Amsterdam, Netherlands; Tianjie Deng, Georgia State U.; Anthony J. DiBella, Organization Transitions; James Doiron, George Washington U.; Cheryl Douthitt, Walden U.; Denise Eggersman, Kennesaw State U.; Debora Elam, Colorado Technical U.; Tracy Elazier, DeVry U.; Kate Elgayeva, Chicago School of Professional Psychology; Linda Marie Ellington, Florida Atlantic U.; Ali Eshraghi, U. of Edinburgh Business School, United Kingdom, Ann E. Feyerherm, Pepperdine U.; Sonja Floyd-Keith, Colorado Technical U.; David Mitchell, Ford U. of Alabama-Tuscaloosa; Jean Frank Lambrechts, Hasselt U., Belgium; Victor J. Friedman, Max Stern Jezreel Valley College, Israel; Connie Fuller, Chicago School of Professional Psychology; Christopher Bernard Gargoline, Hondros College of Nursing; Christopher Garrabrant, North Central College; Denise Gates, Consultant; Judith A. Gebhardt, U. of Southern California; Kathy Dee Geller, Drexel U.; Gemma George, Capella U.; Hosein Gharavi, La Trobe U., Australia; Carmine P. Gibaldi, Harvard U.; David Gliddon, Colorado Technical U.; Stephanie Goble, Regent U.; Thomas

Goh, U. of Western Australia-Hong Kong; Maria B. Gondo, U. of Mississippi; Laura Gover, Carleton U., Canada; Nicco F. S. Graf, Johannes Gutenberg-U. Mainz, Germany; Eric S. Green, Ivy Tech Community College; David Grogan, Case Western Reserve U.; Sara Guediri, The U. of Manchester, United Kingdom; Linda Joyce Gunn, Western Governors U.; Avina Gupta, Columbia U., Austria; Bruce Hanson, Concordia U.- Irvine; Robert O. Harris, Benedictine U.; Cheryl A. Harrison, Manhattan College; Dale Hartz, Case Western Reserve U.; Thomas C. Head, Roosevelt U.; John Heiser, Benedictine U.; Katherine Heynoski, Battelle for Kids; Jennifer Hitchcock, Lawrence Technological U.; Ann-Louise Holten, U. of Copenhagen, Denmark; Judith A Holton, Mount Allison U., Canada; Leland Horn, Colorado, Technical U.; Henry Allan Hornstein, Algoma U., Canada; Tina Huesing, Benedictine U., Germany; Nikki Huyer, U. of Newcastle-upon-Tyne, United Kingdom; Kate Isaacs, MIT Sloan; Taj Olayinka Ishola, SMEC, Hong Kong; Claus D. Jacobs, Bern U. of Applied Sciences, Switzerland; David Jamieson, U. of St. Thomas; Aini-Kristiina Jäppinen, Jyväskylä U., Finland; Bruce Jenks, Pivotal; Signe Jernberg, Uppsala U., Sweden; Yanbin Jiang, Zhejiang U., China; Runtian Jing, Shanghai Jiao Tong U., China; Gigi Johnson, Marel Institute; Amar Joshi, Loughborough U., United Kingdom; Kate Joyner, Brisbane City Council, Australia; Olivia Jung, Harvard U.; Helena Kantanen, U. of Eastern Finland, Finland; Lori D. Kendall, Case Western Reserve U.; Deanna M. Kennedy, U. of Washington-Bothell; Linda Klonsky, Chicago School of Professional Psychology; Ia Ko, Denison Consulting; Irina Koprax, Johannes Kepler U., Austria; Louise Annette Korver, Fielding Graduate Institute; Daniel R. Kowalski, Kowalski Consulting and Management LLC; Enyonam Canice Kudonoo, Ghana Technology U. College, Ghana; Lori Marsee Kuehn, Lawrence Technological U.; Nishant Kumar, Stockholm U., Sweden; Joana Kuntz, U. of Canterbury, New Zealand; Vladimir Kuryakov, The Russian Presidential Academy of National Economy and Public Administration, Russian Federation; Miriam Y. Lacey, Pepperdine U.; Jacqueline Lang, DeVry U.; Kathryn McDonald, Larson Southern Methodist U.; Gayoung Lee, Boston College; Shiau-Chi Lin, National Chung Hsing U., Taiwan; Juan Ling, Georgia College &

State U.; Christopher Linski, Colorado Technical U.; Reut Livne-Tarandach, U. of Oregon; Minna Logemann, Aalto U.; Kenneth E. Long, Colorado Technical U.; Philippe Lorino, ESSEC Business School, France; Elizabeth Ann Luckman, Washington U. in St. Louis; Ronald Paul Lynch, James Cook U., Australia; Steven E. Markham, Virginia Tech; Kathy Martin, Possibility Thinking Consulting Group; Barbara A. Mather, Fielding Graduate Institute; Tracy M. Maylett, DecisionWise; Martin McCracken, U. of Ulster, United Kingdom; Carol McGuire, Case Western Reserve U.; Teri Michael, CTU and College America; Mario Montijo Garcia, U. Autónoma de Sinaloa, Mexico; Bjorn Erik Mork, U. of Oslo, Norway; Louisa Moseley, U. of Central Arkansas; Kurt Motamedi, Pepperdine U.; Barbara Mueller, Johannes Kepler U., Austria; Jinia Mukerjee Nath, SKEMA Business School, France; Juliana Mulaa Namada, United States International U., Kenya; Ken Nishikawa, Konan U., Japan; Herb Nold, Polk State College; Sinead O'Flanagan, Norwegian School of Economics, Norway; Robert O'Neal, Chicago School of Professional Psychology; Clifford Oswick, City U. London, United Kingdom; Sandy Kristin Piderit, Santa Clara U.; Jos Pieterse, Fontys U., Netherlands; Latha Poonamallee, Michigan Technological U.; Jeffrey J. Puhala, Northeastern U.; Bernadette M. Racicot, U. of Delaware; James Renlund, Benedictine U.; Telvis Rich, Northeastern U.; Päivi Ristimäki, Cradle, Finland; Alex Smith Ritenbaugh, Auburn U.; Gary D. Robinson, Capella U.; Caroline Rook, Anglia Ruskin U., United Kingdom; Monica Rydland, NHH Norwegian School of Economics, Norway; Tom J. Sanders, U. of Montevallo; Amandine Savall, ISEOR et LIRSA CNAM, France; Susanne Carola Schneider, LMU-Munich, Germany; Sharon M. Schneider-Borowicz, Benedictine U.; Roland Schwald, Albstadt-Sigmaringen U., Germany; Christine H. Shaefer, Marian U.; Zachary Sheaffer, Ariel U., Israel; Michael Sheppeck, U. of St. Thomas; W. Scott Sherman, Texas A&M-Corpus Christi; Carolyne Siganda, USG; Joan L. Slepian, Fairleigh Dickinson U.; Michael Scott Smith, U. of Phoenix; Klas E. Soderquist, Athens U. of Economics and Business, Greece; Zahra Solouki, ESADE, Spain; Jacqueline M. Stavros, Lawrence Technological U.; Johanna E. Steenrod, U. of Pittsburgh; Gregory K. Stephens, Texas Christian U.; Fiona M. Sutherland, La Trobe U., Australia;

Therese Egeland Sverdrup, NHH Norwegian School of Economics, Norway; David Brian Szabla, George Washington U.; Betania Tanure, PUC Minas, Brazil; Diane Thomas, Colorado Technical U.; Hans Tokke, Eastern U.; Ian Towers, SRH Hochschule-Berlin, Germany; Danielle Tucker, London School of Economics, United Kingdom; Eleni Tzouramani, U. of East Anglia, United Kingdom; Paula Ungureanu, Northwestern U.; Anja Van den Broeck, KU Leuven, Belgium; Lysbeth van Silfhout, De Adviespraktijk, Netherlands; James M. Vardaman, Mississippi State U.; Virajanand Varma, West Texas A&M U.; Sharon Varney, U. of Reading, United Kingdom; Isabella Freitas Vasconcelos, EBAPE/FGV, Brazil; Frances A. Viggiani, Southern Connecticut State U.; Natalia Vuori, Aalto U., Finland; Gary Wagenheim, Simon Fraser U., Canada; Nancy C. Wallis, Pitzer College; Jifu Wang, U. of Houston-Victoria; Donald D. Warrick, U. of Colorado-Colorado Springs; Daryl Watkins, Embry Riddle Aeronautical U.; Elijah Xun Ming Wee, U. of Maryland; Hua Wei The, U. of Manchester, United Kingdom; Janelle E. Wells, Florida State U.; Jennifer Kori Whitener Fellows, Texas A&M U.; Ann Whyte, Melbourne Business School, Australia; Catherine L. Wiberg, Colorado Technical U.; Sue Williams, U. of Gloucestershire, United Kingdom; Julie Wolfram Cox, Monash U., Australia; George Wynn, Eckerd College; Huan Yang, Shanghai U. of Finance and Economics, China; Robert M. Yawson, Quinnipiac U.; Danielle Zandee, Nyenrode Business U., Netherlands.

The following people have agreed to serve as session chairs for the upcoming meetings: John Matthew Amis, U. of Edinburgh Business School, United Kingdom; Alyncia Magdalene Bowen, Franklin U.; David Bright, Wright State U.; Anthony F. Buono, Bentley U.; Robert Carpino, California State U.; Brian Charles Carroll, Southeastern U.; Katherine Heynoski, Battelle for Kids; Kate Isaacs, MIT-Sloan; James Ludema, Benedictine U.; Barbara A. Mather, Fielding Graduate Institute; Cliff Oswick, City U. London, United Kingdom; Annie Pye, U. of Exeter, United Kingdom; Fiona Sutherland, La Trobe U., Australia; Frances A. Viggiani, Southern Connecticut State U.; and Danielle Zandee, Nyenrode Business U., Netherlands.

Looking forward to seeing you in Philadelphia!

(From Thundiyil et al., page 1)

that changing individual attitudes and behaviors are not part of creating lasting organizational change (c.f. Halfhill, Huff, Johnson, Bellentine & Beyerlein, 2002). To better understand the relevance of the individual, this study examines the aggregate effects for one of the more important attitudes for change initiatives—organizational change cynicism (henceforth, change cynicism).

Through this paper we argue that change cynicism, a negative attitude toward the organization coupled with the belief that the organization lacks integrity, is important for organizational change endeavors. More specifically, we argue that change cynicism can be predicted by important individual differences and workplace experiences. We also suggest that change cynicism leads to important attitudes, intentions, motivations, and behaviors. Lastly, we examine whether change cynicism differs from similar concepts, namely, trust and organizational cynicism. We examine whether change cynicism differs from trust, which is a similar concept that has traditionally been used interchangeably with the concept (c.f., Andersson, 1996). We also examine the empirical similarities and differences to organizational cynicism.

Based on current theory and research, we propose a model for change cynicism. We examine the cumulative effect sizes for different proposed predictors and outcomes of change cynicism. More specifically, we look at individual differences (e.g., positive and negative affectivity as well as tolerance for ambiguity) and work experiences (e.g., justice, perceived organizational support, and perceived supervisor support). We also assess different potential outcomes such as attitudinal outcomes (e.g., organizational commitment, job satisfaction), motivational outcomes (e.g., general motivation, engagement), and performance outcomes (e.g., organizational citizenship behaviors, task performance, counterproductive work behaviors, and resistance).

Methods

To cumulate the important findings, we conducted a literature search through many databases and message boards. Both published and unpublished studies were identified. We included studies that met three criteria (1) examined change cynicism, (2) examined focal constructs across at least two independent samples, and (3) reported sufficient data to calculate the effect size. Overall, we identified 32

primary studies (36 independent samples) that met these criteria. Inter-rater agreement was high amongst the two coders. We used the Hunter and Schmidt (2004) method to synthesize correlation coefficients similar to many other meta-analyses.

Results

The meta-analytic results for the relationship between change cynicism and its antecedents were found and are available from the authors. Based on our predictions, we highlight the differential relationship between change cynicism and organizational trust. More specifically, the true-score correlation (r) is large in magnitude at $-.65$ ($k = 9$, $N = 1,853$) and the 95% CI does not include 0.0 or 1.0. This suggests that although organizational trust and change cynicism have a non-zero relationship, the constructs are not redundant.

Also, several antecedents to change cynicism were important. When considering non-demographic antecedents, positive affectivity, negative affectivity, and psychological capital all perform better than demographic differences (which were all non-significant). Similarly, other individual differences, such as openness to change, tolerance for ambiguity, and change belief shared moderate to large magnitude aggregate correlations with change cynicism.

Likewise, proximal antecedents were also good predictors. Specifically, perceived organizational support, perceived supervisor support, overall perceptions of justice, and communication about change management had large magnitude correlations with change cynicism. Other predictors such as leadership style, management trustworthiness and transformational leadership, also emerge as important predictors. Additionally, job security, psychological contract violations, and stress were important predictors. In sum, although demographic factors were not good predictors of change cynicism, both individual and organizational antecedents are moderate to strong predictors.

Also available from the authors are the aggregate effect sizes between change cynicism and both attitudinal and behavioral outcomes. Again, change cynicism has a large magnitude correlation with several outcomes. For example, the magnitude is large for job satisfaction, overall organizational commitment, and intention to quit. Taking a closer look change cynicism also illustrated large negative relationships with affective, normative, and change

commitment, but a positive relationship with continuance commitment. Furthermore, change cynicism has a negative relationship with job involvement. We also found the relationship between change cynicism and motivation. The results show that in general change cynicism had moderate relationship with general motivation, self-efficacy, employee engagement, and decision participation.

Notably, change cynicism showed a negative and moderate relationship with job performance. Additionally, change cynicism showed moderate relationships with self-report and non-self-report OCB. A positive strong relationship was shown between change cynicism and self-report, and non-self-report CWB. Finally, change cynicism was positively related to resistance to change.

Both change cynicism and organizational cynicism target employees' perceptions of the organization. However, the former is more narrow and specific in its domain compared to the latter. The organizational cynicism-trust correlation is very similar in magnitude to the relationship between change cynicism and trust. Similarly, organizational cynicism and change cynicism have similar relations with perceived organizational support, job satisfaction, and organizational commitment. The 95% confidence intervals for change cynicism and organizational cynicism have very similar intervals for such variables. However, there were a few instances where the two constructs appeared to have different predictive validity. For example, organizational cynicism and change cynicism had different magnitude relations with intent to quit. Change cynicism has a strong magnitude to intention to quit, whereas organizational cynicism was only moderate. The 95% confidence interval had a noticeable difference as well.

Discussion

We notice that the 95% confidence interval for intent to quit did not overlap between change cynicism and trust, which suggests that highly cynical employees are more likely to intend to quit than employees with low trust. These results could be attributed to the fact that change cynicism to increased frustration and concern (e.g., Mishra & Spreitzer, 1998), which may serve as a signal that it is time to look for new work.

For the predictors, many individual differences had a moderate magnitude, whereas many experiences

shared a strong relationship. Interestingly, job security was insignificant with change cynicism, which is somewhat surprising given the importance of trust to job security (Näswall & DeWitte, 2003) and the similarity between trust and change cynicism. Maybe this can be attributed to the fact that organizations sometimes change to meet external demands (e.g., Bacharach, Bamberger & Sonnesthul, 1996); and, some employees, particularly those that have more secure jobs, could be important in the change process and/or may perceive that change makes the organization more competitive (e.g., Schuler & Jackson, 1987).

In regards to outcomes, the commitment outcomes all have a similar magnitude to change cynicism. However, continuance commitment has a positive relationship and the other types of commitment were negatively correlated. Maybe this is because employees high in change cynicism are more likely to just turnover, whereas those high in continuance commitment find turnover to be a greater obstacle (e.g., Meyer et al., 2007) and not a viable option. Rather than exit the company and face the prospect of unemployment, these employees may stick with the organization and grow more cynical, perpetuating the vicious cycle (Mishra & Spreitzer, 1998). Change cynicism, however, only moderately predicts task performance. We suggest that increased change cynicism often materializes through frustration with coworkers (Davis & Gardner, 2004) and negative attitudes (see Table 2). However, most employees do not want to risk low performance and the potential consequences, therefore these employees might reduce citizenship behaviors, which are often seen as discretionary.

Roughly half of the employees in an organization experience cynicism (Kanter & Mirvis, 1989), and provided change cynicism shares a strong relationship with many important change outcomes, the large failure rate for change initiatives (Pasmore, 2011) may not seem surprising. When a slight majority of employees carry extreme skepticism and pessimism about the change endeavor, it may cause problems rallying the employees to align with the change agenda. This study provides empirical evidence on the importance of the employee's attitude toward change and provides ways to improve change cynicism. Based on the results, it seems important that change cynicism is addressed so that its negative effects are limited. Our results suggest

an increased need to both systematically examine change cynicism and examine ways to minimize the negative effects on organizational initiatives.

References

- Andersson, L. M. (1996). Employee cynicism: An examination using a contract violation framework. *Human Relations, 49*(11), 1395-1418.
- Bacharach, S.B., Bamberger, P., & Sonnenstuhl, W.J. (1996). The organizational transformation process: The micropolitics of dissonance reduction and the alignment of logics of action. *Administrative Science Quarterly, 41*, 477-506.
- Barrick, M. R., & Mount, M. K. (1991). The big five personality dimensions and job performance: A meta-analysis. *Personnel Psychology, 44*(1), 1-26.
- Davis, W. D., & Gardner, W. L. (2004). Perceptions of politics and organizational cynicism: An attributional and leader-member exchange perspective. *The Leadership Quarterly, 15*(4), 439-465.
- Halfhill, T. R., Huff, J. W., Johnson, D. A., Ballentine, R. D., & Beyerlein, M. M. (2002). Interventions that work (and some that don't): An executive summary of the organizational change literature. In Lowman, R. L. (Ed), *The California School of Organizational Studies: Handbook of organizational consulting psychology: A comprehensive guide to theory, skills, and technique* (pp. 619-644). San Francisco, CA: Jossey-Bass.
- Hunter, J. E., & Schmidt, F. L. (2004). *Methods of meta-analysis: Correcting error and bias in research findings* (2nd ed.). New York, NY: Sage.
- Kanter, D. L., & Mirvis, P. H. (1989). *The cynical Americans: Living and working in an age of discontent and disillusionment*. San Francisco, CA: Jossey-Bass
- Meyer, J. P., Srinivas, E. S., Lal, J. B., & Topolnytsky, L. (2007). Employee commitment and support for an organizational change: Test of the three-component model in two cultures. *Journal of Occupational and Organizational Psychology, 80*(2), 185-211.
- Mishra, A. K., & Spreitzer, G. M. (1998). Explaining how survivors respond to downsizing: The roles of trust, empowerment, justice, and work redesign. *Academy of Management Review, 23*(3), 567-588.

- Näswall, K., & De Witte, H. (2003). Who feels insecure in Europe? Predicting job insecurity from background variables. *Economic and Industrial Democracy*, 24(2), 189-215.
- Oreg, S., Todnem By., Michel, A. Introduction. In S. Oreg, A. Michel & R. Todnem By (Eds.), *The psychology of organizational change: Viewing change from the employee's perspective* (pp. 145-172). New York, NY: Cambridge University Press.
- Pasmore, W. A. 2011. Tipping the balance: Overcoming persistent problems in organizational change. In W. Pasmore, R. Woodman, & A. Shani (Eds.), *Research in organizational change and development* (pp. 259-292). Greenwich, CT: JAI Press.

ELABORATING FROM PRACTICE ON THE THEORETICAL MODEL OF ENGAGED SCHOLARSHIP

Jane McKenzie
Christine van Winkelen
Henley School of Business
Jean Bartunek
Boston College
2014 ODC Division Best Rupert F. Chisholm
Theory-to-Practice Award

Seven years before his death in 2004, Rupert Chisholm wrote 'Developing the Networked Organisation; Learning from practice and theory'. In 2014, The ODC Division Rupe Chisholm Practical Theory Award goes to a paper that explores what it is like to be part of such an organisation; how practitioners make sense and meaning of their participation and which nuances academics could fruitfully work with to sustain practitioner involvement in a networked learning organisation. The organisation in question is the Henley Forum for Organisational Learning and Knowledge Strategies. This Forum was founded in 2000 at a UK business school: now part of the University of Reading it remains active. Membership of the network includes large public, private and third sector organisations and scholars concerned with investigating the strategic and operational tensions and paradoxes inherent in knowledge based enterprises. It is deliberately orchestrated as a community of practice, because communities are "spaces" 'where learning happens and practice identity evolves': the

intent is that academics can learn from practitioners and practitioners can learn from theory because of their common concern to improve the contribution of knowledge and learning to organizational development and performance. Academics and practitioners each gain from the joint discourse and reflection, but in distinct ways that advance the practice they identify with (Van Winkelen, Birchall, & McKenzie, 2008; Van Winkelen & Truch, 2002).

For 13 years, the two academic conveners, (the first two authors of the paper) have facilitated multiple forms of participatory inquiry with a deliberate intention of co-producing actionable knowledge about complex real world business problems. Thus, the paper explores the Forum as a practical case of what Van de Ven (2007) and Van de Ven & Johnson (2006) called Engaged Scholarship.

The five dimensions of Engaged Scholarship manifest in the Forum as:

- Research which has *focused consistently on a big question grounded in reality*; namely 'how to develop organisational capabilities that access, integrate and use knowledge effectively, support individual and collective learning, adapt to a dynamic environment and create new knowledge for competitive advantage'.
- A space for engagement deliberately designed as *a collaborative learning community*.
- An institution which has remained active over *an extended time frame*; the two principal academics have been involved throughout. Although member organisations change over time, on average, at any one time, practitioners from 25 organisations are involved.
- Investigations use *multiple models and methods of study*. Topics informing the big question demand different research methods. The choice of topic is negotiated between members and academics. Over the period, the leaders and other scholars from across the business school have worked collaboratively with practitioner members on 45 different research projects, producing two books, 16 academic journal papers, 14 academic conference papers and 22 practitioner articles as well as practical guidance documents for every project so that any member can easily apply the findings to organisational practice. The research is always interactive,

largely qualitative, because context matters for the interpretation and application of output. However, different modes of inquiry, from case studies, interviews, focus groups, simulations and occasionally quantitative surveys have been used depending on the nature of the research question (McKenzie & Van Winkelen, 2004; Van Winkelen & McKenzie, 2011).

- The academics *constantly re-examine assumptions about scholarship and roles* by actively seeking opportunities to reflect on and research the nature of their own practice. This is one of several papers in which they investigate different ways to bridge the theory/ practice gap and work through the tensions that seem to keep academics and practitioners isolated in different camps (cf. (Bartunek & Rynes, In press)).

The Forum case offers rare *empirical* insights into the process of sustaining practitioner engagement over a significant period of time. The sources of this sustainability intrigued Jean Bartunek, the third author of the paper and led her to suggest an insider-outsider study (Bartunek & Louis, 1996) of the Forum. Jean interviewed a representative sample of practitioners who had actively participated in Forum activities at different times across the thirteen year period of its life. Having an independent outsider capture member responses to the experience of belonging was a perfect opportunity to examine assumptions about roles and scholarship from an alternative perspective.

The interview transcripts were anonymised and open coded separately by both insiders and the outsider using Atlas Ti. Themes were identified using a lens of Weick's (1995) sensemaking theory, as captured in the well know acronym SIR COPE (see column 1 of Table 1 below). The analysis showed a pattern of meaningful priorities and valued experiences permeating all practitioners' responses, whatever the period of their involvement in the Forum. If we accept Weick's and others' arguments that sense making is a relational process which produces meaning, and that meaningfulness is a major precursor to engagement, this suggests a useful focus for anyone leading knowledge co-production activities and keen to sustain practitioner engagement in scholarly pursuits. Paying particular attention to the dimensions of sense making improves the quality of the shared inquiry process. The social component is an essential pre-requisite for participants to feel

safe, have the confidence to talk openly and honestly without feeling judged; ongoing engagement expands the range of cues practitioners notice; time for retrospection in conversation with peers as well as academics becomes a valued commodity, but only when the topics have some plausible connection to real concerns in their working life. This combination gives practitioners an incentive to enact their learning back into the workplace, which can both improve their practice and expands their identities. Quantitative indicators suggest that a fair proportion of learning actually became embedded in practice. That is, 95% of respondents rated the level of insights they got from their participation as 4 or 5 on a one to five scale and 13 out of 17 respondents answered similarly when asked whether participation had developed new skills.

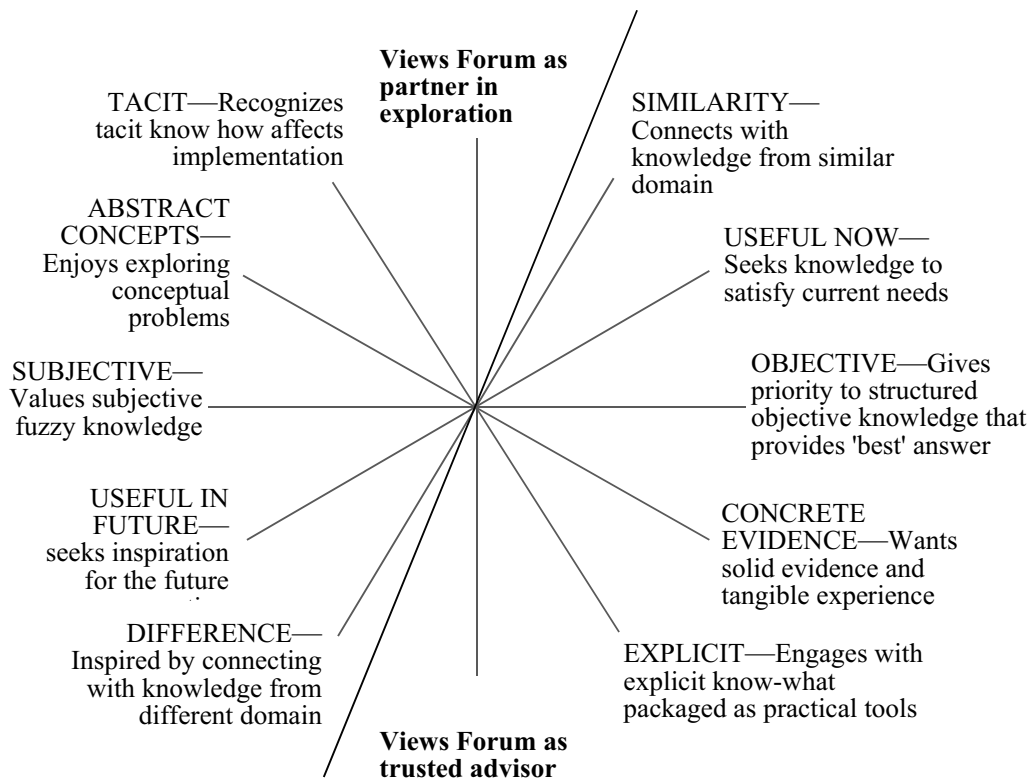
Despite their overall consistency, the data was not unequivocal. One indicator was the response to a question asking individuals to offer a metaphor to describe the Forum. Three people could not do so; the rest fell into two fairly equal groups. One group identified the Forum as a safe place for finding to answer to problems – they used metaphors like a comfort blanket or alcoholics anonymous, where people share a common problem. The other group spoke of the Forum as a generative space for creating something new or developing their identities; they used metaphors like a gym for getting fit and increasing energy, a church, an orchestra and various cooking metaphors. Thus, we re-examined the data by individual rather than community. The results showed some subtly conflicting epistemologies based on what each practitioner considered meaningful for their engagement with the Forum. Five dialectical tensions stood out. Individuals showed evidence of either

1. Preferring similarity or difference in terms of the thinking that resonated with them and the people they engaged with
2. Prioritising immediate actionable insights or inspiration for the future in terms of their rationale for engagement
3. Valuing fuzzy subjective knowledge or structured objective (scientific) knowledge as being useful returns from involvement
4. Enjoying abstract ideas and conceptual exploration or seeking concrete evidence of what works

Table 1: Practitioner Meaning-Making within the Research Community

Sensemaking elements	Pattern of co-occurring codes in the first order coding. <i>The italicised text below represents the active codes</i>
<i>Social</i> —People create their sense of the world through conversation and in relationship with others move towards a shared view of possible meanings.	The feeling of belonging to a community is supported by the creation of an <i>attractive space for involvement</i> , which is associated with a <i>collaborative climate</i> that allows for open and honest dialogue and a <i>feeling of being free to share both positive and negative experiences</i> . It involves having <i>regular touch points</i> and mechanisms that generate positive energy such as encouraging conversations. These bring a <i>sense of relating over time</i> to support the social capital needed to combine practitioner and academic perspectives.
<i>Identity</i> —As new meanings emerge people relate them to themselves, often in ways that limit their options, so need stimuli that help to expand their repertoire of responses.	Personal benefits from belonging are significant, and this is associated with <i>becoming a better practitioner</i> both in terms of <i>developing professionally</i> and in terms of <i>enhancing their capacity to build organisational capability</i> . It increases confidence to try new things and strengthens belief in what they are trying to achieve. Practitioners could <i>develop their own reputation through the academic credibility of their sources</i> . Membership provides an opportunity to <i>build relationships between peers within their organisation</i> , by including them in community activities too. This helps them engage in conversations across internal knowledge silos.
<i>Retrospection</i> —People often don't know what they think until they articulate it. By explaining their actions they start to move from superficial understanding to deeper, more complex perspectives.	<i>Encouraging conversations with peers and with academics was a critical part of the process of making sense of complex situations</i> . Being <i>involved in action learning groups</i> was repeatedly mentioned as a particularly valued activity, but research project involvement also <i>allowed people to articulate more profound explanations</i> .
<i>Cues</i> —People filter the cues they notice and look for confirmation. Helping people to expand the cues they pay attention to initially heightens confusion but provides more comprehensive and relevant answers over time.	The value of accessing different perspectives, through learning with peers, the diversity of membership from different organizations and sectors, combined with the opportunity to connect with leading edge thinking <i>helped people expand their horizons and challenge existing perspectives, all of which act as a stimulus for learning</i> . By <i>increasing the range and diversity of cues</i> people consider, and struggle with the paradoxes to reach a broader understanding of the complexity of the problem and a more rounded solution, or to reframe the way they tackle a problem.
<i>Ongoing</i> —There is no final answer, what makes sense now needs continuous updating.	The <i>ongoing nature of the process of developing a meaningful response</i> to the big question is consistently evident in the language of quotations. Using a journey metaphor is a typical example.
<i>Plausibility</i> —A way to help people start to feel comfortable about their practice by providing a 'kernel' around which people can organize a story. But it cannot be left as the final way point on the journey to understanding.	Practitioners repeatedly cited several themes as being reasons for their participation: <i>knowing others were in the same boat</i> , and <i>getting endorsement for their own practice</i> through comparisons with others. This was related to confidence building both in the sense that they felt more comfortable to share their deeper uncertainties once they felt that others understood their story and because having their practice endorsed gave them plausible stories that they could tell to satisfy senior stakeholders. Although plausibility builds trust and credibility, it also create pitfalls for sensemaking in this context, if it helps 'make sense of the senseless' (Weick, 2002). The risk is that practitioners then become complacent, or ignore the cues for expanding horizons, challenging existing perspectives and developing further professionally. The academics have to hold this tension.
<i>Enactment</i> —"Sensemaking can be treated as reciprocal exchanges between actors (Enactment) and their environments (Ecological Change) that are made meaningful (Selection) and preserved (Retention)" (Weick, Sutcliffe, & Obstfeld, 2005)	The process of enactment in terms of practice happens elsewhere in between the periods of involvement with Forum activities. People noted that <i>it was important to have the opportunity for application</i> . This was associated with the timeliness of the input, the member's ability to adapt models and theories to their own practice, and the quality of the translation process from academic language to appropriate language in their own context. It also seems to relate to whether the individual was positively oriented to theory, as well as organisational commitment and senior stakeholders willingness to permit action.

FIGURE 1: Epistemological Orientations within the Research Community.



5. Favouring access to tacit ‘know-how’ or explicit ‘know-what’ packaged as tools and guidance

Most individuals were very positive about belonging, offering many success stories from the experience, which implies that these apparently conflicting priorities were being accommodated and needs met by the way the engaged scholarship process was orchestrated in the Forum.

However Figure 1 shows how the combination of dialectical responses supported two divergent views of what the Forum meant for an individual. When the Forum was viewed as a partner in exploration, individual epistemologies leant to the left of the cycle in Figure 1 and a generative metaphor was most frequently used. People predisposed to priorities on the right hand side of Figure 1 valued the Forum as a trusted advisor and metaphors about comfort, security and problem solving predominated. Naturally, no individual fitted exclusively into either category in terms of their priorities, but a distinct pattern of association was evident.

Perhaps the practice of engaged scholarship is more nuanced than simply addressing the well-rehearsed

dialectics that exist between academic and practitioner priorities, and the tensions between rigor and relevance. To sustain engagement with learning over time, engaged scholars may also need to negotiate alternative epistemological orientations existing within practitioner groups. An arbitrage process that privileges positions of academic knowledge may fail because for practitioners on the left hand side of the cycle in Figure 1, predisposed to preferences that encourage exploration and knowledge co-production, might interpret the experience as simply a knowledge transfer process, and then resist ongoing engagement. For practitioners with priorities on the right hand side of Figure 1, investigations starting from anomaly and difference, exploring abstract conceptual, fuzzy issues that have future potential but no immediately actionable value will be off putting unless the approach to engagement builds their comfort to talk openly and explore safely amongst peers with similar difficulties and through ongoing engagement generates a scaffolding of cues to learning that makes it easier to generate immediately actionable insights.

References

- Bartuenk, J. M., & Rynes, S. L. (In press). Academics and practitioners are alike and unlike: The paradoxes of academic-practitioner relationships. *Journal of Management*.
- Bartunek, J. M., & Louis, M. R. (1996). *Insider / outsider team research* (Vol. 40). Thousand Oaks, California: Sage Publications.
- McKenzie, J., & Van Winkelen, C. (2004). *Understanding the knowledgeable organization: Nurturing knowledge competence*. London: Cengage Learning EMEA.
- Van de Ven, A. H. (2007). *Engaged scholarship: A guide for organizaational and social research*. Oxford: Oxford University Press.
- Van De Ven, A. H., & Johnson, P. E. (2006). Knowledge for theory and practice. [Article]. *Academy of Management Review*, 31(4), 802-821.
- Van Winkelen, C., Birchall, D., & McKenzie, J. (2008, 9-11 September). *Exploring relevance: A case study of an interactive research method wihtin the context of an inter-organizational community of practice*. Paper presented at the Bristish Academy of Management, Harrogate.
- Van Winkelen, C., & McKenzie, J. (2011). *Knowledge works: The handbook of practical ways to identify and solve common organisational problems for better performance*. Chichester: John Wiley and Sons Ltd.
- Van Winkelen, C., & Truch, E. (2002, April 29-30). *An assessment of the interactive research method using a multi-project case example*. Paper presented at the European Conference on Research Methods, University of Reading.
- Weick, K. E. (1995). *Sensemaking in organizations*. Thousand Oaks CA: Sage.
- Weick, K. E., Sutcliffe, K. M., & Obstfeld, D. (2005). Organizing and the process of sense-making. *Organization Science*, 16(4), 409-421.

DANCING BETWEEN ILLUSION AND REALITY: DECOUPLING IN POST-ACQUISITION INTEGRATION

Natalia Vuori

Aalto University, Aalto, Finland

2014 ODC Division Best Paper Based on a Dissertation Award

For many firms, successful integration following mergers and acquisitions (M&A) remains a challenge. However, the reasons for this remain unclear. Scholars have found that the actions and omissions of elites of the acquiring firm—which we operationalize as top managers and senior middle managers—play a pivotal role in the performance of post-acquisition integration (PAI) (Larsson & Finkelstein, 1999). For instance, the elites of an acquired firm are most likely to feel stressed and leave the newly merged organization if the acquirer's elites fail to (a) strike the right balance between providing autonomy and full integration (Meyer & Altenborg, 2007); (b) implement the merger fairly (Monin, Noorderhaven, Vaara, & Kroon, 2013); (c) provide a sense of continuity and make sure that members identify themselves with new organization (Clark, Gioia, Ketchen, & Thomas, 2010); and (d) behave appropriately in the eyes of the acquired firm's elites (Very & Lubatkin, 1996).

Although scholars tend to agree that the actions of acquirer's elites can destabilize the target by hurting the feelings of its elites, less is known about how the acquired elites' emotional reactions influence the quality of subsequent interactions between the two groups (Clarke & Salleh, 2011; Fugate, Kinicki, & Scheck, 2002). Ager (2011), for instance, has found that the dysfunctional behavior of the acquired firm's elites provoked negative feelings among the acquirer's elites. To cope with their negative feelings, the acquirer's elites started avoiding visits to the acquired firm. This avoidance, in turn, might provoke negative emotional reactions among the acquired elites and lead to even more dysfunctional behavior (Hareli & Rafaeli, 2008).

Our aim is to fill this research gap and explore empirically how the post-acquisition interactions and emotions that arise among the acquiring and acquired firms' elites influence the processes and outcomes of PAI. We conducted an inductive longitudinal study of a large corporation integrating a small acquired firm. We carried out 50 interviews, observed meetings, and analyzed internal documents.

Our analysis reveals two key findings. First, we found that both elites engaged in behaviors that harmed PAI performance. Specifically, the acquirer's elites started mandating and imposing unplanned and questionable changes such as integrating the smaller firm into its own IT system; imposing its own selling routines, HR practices, long-term strategic planning system, and moving the acquired firm to a new office. The acquired firm's elites engaged in decoupling by creating two faces for their firm: a public face to demonstrate compliance with the acquirer's preferences, and a private face to support business processes in accordance with their own preferences. Specifically, they created own "secret" IT system and transferred to it most of their business processes, hired new employees secretly, increased salaries secretly, filled the work time control system with fake data, and guessed numbers while making five-years plans instead of using analytical tools.

Second, we developed an inductive model that provides a deep understanding of the (a) processes that led to the collapse of coordinated corrective actions and dysfunctional behaviors by both partners, and (b) how emotion cycles between the elites of acquired and acquiring firms influence these processes.

Decoupling

The concept of decoupling suggests that, under institutional pressure, elites can pretend that they agree with imposed strategic goals (e.g., being socially responsible) by demonstrating their intentions to reach these goals (e.g., CEO's statement in annual reports) while in reality taking no actions to achieve them (Zajac & Westphal, 1996). Decoupling is most likely to occur when the preferences of elites are in conflict with the directives imposed on organizations (Fiss & Zajac, 2004). The way decoupling arises and manifests itself in an M&A context has not been extensively studied in an empirical setting. This lacuna is intriguing, because we know there are many sociopolitical issues and power struggles in the M&A context (Graebner & Eisenhardt, 2004).

The Preferences of Firm Elites

The concept of preferences refers to an individual's attitude toward a set of objects, typically reflected in an explicit decision-making process (Lichtenstein & Slovic, 2006). Researchers have found that a differ-

ence in management-style preference between the elites of acquired and acquirer firms has a negative effect on acquisition performance (Chatterjee, Lubatkin, Schweiger, & Weber, 1992; Knippenberg, Knippenberg, Monden, & Lima, 2002). What is still unclear is how preferences manifest themselves in PAI. Can preferences be revealed and managed at the outset, or do they only emerge as PAI unfolds?

Emotional Reactions

Because preferences represent matters that are typically important and relevant to their holders, attempts to change, help, or harm the satisfaction of preferences can elicit strong emotional reactions, according to emotion research (Elfenbein, 2007; Lazarus, 1991). Emotional reactions represent dynamic feeling states with an identified cause or target that can be expressed verbally or nonverbally (Russell & Barrett, 1999). Based on research on emotion, people tend to use affect (a more general term than emotion) as a source of information when time is short; when they face unfamiliar subjects; when other types of information are scarce; and when judgment is too complex for analytical processing (Loewenstein & Lerner, 2003). These conditions are likely to prevail in a PAI context. However, despite the potential importance of emotions in influencing how elites think and behave in a PAI context, empirical research in actual organizational settings is lacking. We have thus performed a qualitative inductive study to explore the interactions between combining firms' elites as they reveal unknown preferences, emotional reactions, and actions, and show how this revelation contributes to the ultimate outcome of decoupling.

Methods

We studied the PAI process between ScandiCo and EastCo (both pseudonyms). ScandiCo is a Swedish logistics company that has annual revenues of two billion dollars. EastCo is a 1.5-million-dollar Ukrainian company that was run by three entrepreneurs. This setting is optimal for studying elites' preferences because the acquiring and acquired firms were different in many aspects. In 2009, when ScandiCo acquired EastCo, the elites of both firms felt optimistic about the potential synergies. ScandiCo hoped to use EastCo's expertise in customer relationship management and planned to use the firm as a platform for future expansion into Eastern Europe, the Baltic countries, and Asia.

Meanwhile, EastCo hoped to leverage the financial stability and reputation of its large Western parent to strengthen its customer relationships.

Although both companies openly communicated their desires and grievances, and honestly believed that they had tried to improve the situation, their subsequent actions still came as unwelcome surprises to the other party. After three years, ScandiCo decided to divest. By that time, their return on investment was -126%, and the return on assets was -8%.

We collected data from the following sources: (1) personal interviews with the managers from the acquiring firm and the managers and employees from the acquired firm, (2) observation of two inter-firm meetings relating to the integration process; (3) the acquirer's internal M&A specification documents; and (4) emails from EastCo customers reflecting their assessments of the quality of EastCo's services. Although we distinguish data collection from data analysis, as typical of inductive qualitative research, the actual analytic process was highly iterative in that our early analyses helped us to refine and focus the subsequent data collection (Glaser & Strauss, 1967).

We conducted a total of 50 interviews between 2009 and 2013: 22 with 12 informants from ScandiCo and 28 with 14 informants from EastCo. Almost all interviews were audiotaped and all were transcribed. We used data from interviews, meeting observations, and M&A documents to write detailed descriptions of various PAI sub-processes.

To analyze our data, we used open and axial coding, memos, and constant comparisons (Charmaz, 2006; Strauss & Corbin, 1998). The main categories and subcategories emerged from this analysis, after which we used focused coding.

Findings

Our analysis revealed the evolving, dynamic character of the PAI process. We found that some critical preferences among the elites of both the acquirer and acquired firms remained undisclosed, or even be considered unimportant or irrelevant, at the early stages of due diligence and negotiation. Interim outcomes of the ongoing PAI gradually revealed surprising discoveries about the preferences of each company's elites. For example, the elites of the two studied firms did not realize that they had different

preferences in terms of planning horizons (five years and three months respectively). Only after the acquirer's elites unexpectedly decided to impose a five-year planning system in response to slow sales growth did this discrepancy come to light.

As the integration process unfolded and various preferences were revealed—often through unexpected actions—the two elites made judgments about (a) whether unexpected actions helped or hindered their own preferences, and (b) the reasons for the other party's unexpected actions. Also, unexpected actions provoked emotional reactions among the elites of both firms. For example, the acquirer's elites were infuriated when the acquired firm's elites did not want to adopt the acquirer's selling routine (active selling using cold calling) because according to the acquired elites this selling routine did not work for their business model. Unable to suppress their anger, the elites of the acquirer started shouting at members of the acquired elites and publicly humiliating the firm's employees. As one top manager of the acquired firm recalled:

[A top ScandiCo manager] started shouting at one of our employees during the meeting. Then he ordered him [the employee] to leave the room in the middle of the meeting! We were all in shock. That's not how we treat our employees.

Our data revealed mutual influence between emotional reactions and judgments. When elites had limited information about the reasons for each other's actions, they used their own current emotions as a source of information to compensate for missing information (Siemer & Reizenzein, 1998). In cases when unexpected actions provoked negative feelings, the elites of both firms tended to make negative judgments—and these judgments, in turn, reinforced emotional reactions. For example, attributing the acquired elites' attempts to explain why new selling routine did not work for their business to incompetence and laziness produced negative emotional reactions among the acquiring elites.

Our data show that the interplay between emotional reactions and judgments shaped how the elites of one firm responded to the unexpected actions of the other. We found that negative emotional reactions and unfavorable judgment narrowed the reaction repertoires of both elites and led to reactive, defensive behaviors (Fredrickson, 2001). More precisely, the acquirer's elites mandated and imposed changes

that were regarded as harmful to the acquired business; the acquired firm's elites decoupled their behavior.

The reactive behaviors of both groups in turn led to new interim PAI outcomes, which served as feedback signals, revealing new preferences, triggering new emotional reactions and judgments that affected further behaviors.

Discussion

We contribute to the literature on post-acquisition integration in two ways. First, M&A scholars have proposed five main approaches to post-acquisition integration: absorptions, preservation, best of both, reverse merger, and transformation (Ellis & Lamont, 2004; Haspeslagh & Jemison, 1991). These approaches generally fall somewhere along the continuum between provision of autonomy and full integration. This view, however, does not reveal the extent to which integration has been implemented by the elites of the acquired firm. Our findings show that an acquired firm can create the *illusion* of integration. To illustrate, the elites of acquirer were under the impression that the acquired firm's IT system had been fully integrated with theirs. In fact, the acquired firm was using a "secret" IT system of their own creation. Our findings thus suggest a need to consider not only the degree of integration, but also the degree of decoupling in integration. Future quantitative studies might want to control for the degree of coupling when examining how the level or speed of integration influences PAI performance.

Second, the extant PAI literature implicitly assumes that the acquirer chooses the integration approach once and for all at the early stage of an acquisition (Haspeslagh & Jemison, 1991), based on whether or not the acquired firm needs (a) strategic interdependence and (b) organizational autonomy (Ellis & Lamont, 2004). In contrast to this depiction of PAI as a largely rational, pre-planned, deterministic process, we show it to be social-emotional, emergent, and revelatory, despite managers' material efforts to plan as much as they could at the outset. Our findings provide a deeper understanding of how intra-organizational factors such as elites' revealed preferences, emotional reactions, and judgments contribute to the decision to alter the approach to integration.

We contribute to the decoupling literature by deepening our understanding of the process that leads to

decoupling, and explaining the role of emotions in this process. Decoupling is a change-resistance strategy that corporate elites use when their preferences are at odds with those of the "lawmakers" (Elsbach & Sutton, 1992). Our findings show that emotional reactions play the important role in decoupling. In their study, Fiss & Zajac (2004) hypothesize that the involvement of older CEOs can reduce the likelihood of decoupling, because older executives have a deeper psychological commitment to the status quo. However, this hypothesis has not been confirmed, and our findings can explain why. It might be that the CEO's emotional reaction to acting against their own preferences guides their cognition and behaviors regardless of their age.

By providing a deep processual understanding of how revealed preferences and socio-emotional interactions between elites of the two firms influence the PAI process, we contribute to the strand of behavioral strategy literature that aims to bring the role of emotions, cognition, and behavior into strategic management research (Gavetti, 2012; Levinthal, 2011).

References

- Ager, D. L. (2011). The emotional impact and behavioral consequences of post-M&A integration: An ethnographic case study in the software industry. *Journal of Contemporary Ethnography, 40*(2), 199-230.
- Charmaz, K. (2006). *Constructing grounded theory: A practical guide through qualitative analysis*: Sage Publications Limited.
- Chatterjee, S., Lubatkin, M. H., Schweiger, D. M., & Weber, Y. (1992). Cultural differences and shareholder value in related mergers: Linking equity and human capital. *Strategic Management Journal, 13*(5), 319-334.
- Clark, S. M., Gioia, D. A., Ketchen, D. J., & Thomas, J. B. (2010). Transitional identity as a facilitator of organizational identity change during a merger. *Administrative Science Quarterly, 55*(3), 397-438.
- Clarke, N., & Salleh, N. M. (2011). Emotions and their management during a merger in Brunei. *Human Resource Development International, 14*(3), 291-304.
- Elfenbein, H. A. (2007). 7 Emotion in Organizations: A Review and Theoretical Integration. *The Academy of Management Annals, 1*(1), 315-386.

- Ellis, K. M., & Lamont, B. T. (2004). "Ideal" acquisition integration approaches in related acquisitions of equals: A test of long-held beliefs. *Advances in Mergers and Acquisitions*, 3, 81-102.
- Elsbach, K. D., & Sutton, R. I. (1992). Acquiring organizational legitimacy through illegitimate actions: A marriage of institutional and impression management theories. *Academy of Management Journal*, 35(4), 699-738.
- Fiss, P. C., & Zajac, E. J. (2004). The diffusion of ideas over contested terrain: The (non) adoption of a shareholder value orientation among German firms. *Administrative Science Quarterly*, 49(4), 501-534.
- Fredrickson, B. L. (2001). The role of positive emotions in positive psychology: The broaden-and-build theory of positive emotions. *American Psychologist*, 56(3), 218.
- Fugate, M., Kinicki, A. J., & Scheck, C. L. (2002). Coping with an organizational merger over four stages. *Personnel Psychology*, 55(4), 905-928.
- Gavetti, G. (2012). Perspective—Toward a behavioral theory of strategy. *Organization Science*, 23(1), 267-285.
- Glaser, B. G., & Strauss, A. L. (1967). *The discovery of grounded theory: Strategies for qualitative research*: Aldine de Gruyter.
- Graebner, M. E., & Eisenhardt, K. M. (2004). The seller's side of the story: Acquisition as courtship and governance as syndicate in entrepreneurial firms. *Administrative Science Quarterly*, 49(3), 366-403.
- Hareli, S., & Rafaeli, A. (2008). Emotion cycles: On the social influence of emotion in organizations. *Research in Organizational Behavior*, 28, 35-59.
- Haspeslagh, P., & Jemison, D. (1991). *Managing acquisitions: Creating value through corporate renewal*. New York.
- Knippenberg, D., Knippenberg, B., Monden, L., & Lima, F. (2002). Organizational identification after a merger: A social identity perspective. *British Journal of Social Psychology*, 41(2), 233-252.
- Larsson, R., & Finkelstein, S. (1999). Integrating strategic, organizational, and human resource perspectives on mergers and acquisitions: A case survey of synergy realization. *Organization Science*, 10(1), 1-26.
- Lazarus, R. S. (1991). *Emotion and adaptation*: Oxford University Press New York.
- Levinthal, D. A. (2011). A behavioral approach to strategy—what's the alternative? *Strategic Management Journal*, 32(13), 1517-1523.
- Lichtenstein, S., & Slovic, P. (2006). *The construction of preference*: Cambridge University Press.
- Loewenstein, G., & Lerner, J. S. (2003). The role of affect in decision making. *Handbook of affective science* (pp. 619-642).
- Meyer, C. B., & Altenborg, E. (2007). The disintegrating effects of equality: A study of a failed international merger. *British Journal of Management*, 18(3), 257-271.
- Monin, P., Noorderhaven, N., Vaara, E., & Kroon, D. (2013). Giving sense to and making sense of justice in postmerger integration. *Academy of Management Journal*, 56(1), 256-284.
- Russell, J. A., & Barrett, L. F. (1999). Core affect, prototypical emotional episodes, and other things called emotion: Dissecting the elephant. *Journal of Personality and Social Psychology*, 76(5), 805.
- Siemer, M., & Reisenzein, R. (1998). Effects of mood on evaluative judgements: Influence of reduced processing capacity and mood salience. *Cognition & Emotion*, 12(6), 783-805.
- Strauss, A. L., & Corbin, J. M. (1998). *Basics of qualitative research: Techniques and procedures for developing grounded theory*. Thousand Oaks, CA: Sage.
- Very, P., & Lubatkin, M. (1996). A cross-national assessment of acculturative stress in recent European mergers. *International Studies of Management & Organization*, 26(1), 59-86.
- Zajac, E. J., & Westphal, J. D. (1996). Who shall succeed? How CEO/board preferences and power affect the choice of new CEOs. *Academy of Management Journal*, 39(1), 64-90.

BEYOND FORMAL CONTRACTS: THE POST MERGER INTEGRATION EXPERIENCE OF ACQUIRED EXECUTIVES

David P. Grogan

Case Western Reserve University

2014 ODC Best Student Paper

Academic literature and practitioner experience point to a problem of excessive turnover involving acquired executives, and the difficulties of fostering positive corporate change during post-merger integration (PMI). Estimates suggest roughly half of acquisitions fail to achieve the stated objectives (Allred, Boal, and Holstein, 2005). One reason is that key managers of acquired companies often leave the new organization before the expected

acquisition benefits are realized (Walsh, 1988; Krug and Hagerty, 2001; Hambrick and Canella, 1993; Krishnan, Miller, and Judge, 1997).

Acquiring organizations often approach individual motivation from an agency perspective in terms of extrinsic stimuli, specifically through contracts that obligate acquired executives to remain through the integration period by offering time-dependent compensation packages and financial incentives to do so (Jensen and Meckling, 1976). However, data suggests that financial incentives alone have little measurable positive impact on success in the long term (Leslie and Oyer, 2008), and executive compensation as a driving factor of corporate M&A success and value creation is simply not supported (Donaldson and Davis, 1991; Deci, Koestner, and Ryan, 1999).

This is a qualitative study designed to discover what it is about the experience of acquired executives during the PMI period that motivates them to stay and lead successful, sustainable organizational change, or to leave after their formal contractual obligations allow. We found that although most executives stay through the contractual period required to realize their retention incentives, even if those incentives vest over several years, they decide to stay or leave soon after the acquisition, often within the first few months. Our findings indicate that their perspectives, expectations, and initial experience quickly form a motivational, psychological bond between the acquired executive and the new firm, or not.

Literature Review

Our investigation of the existing literature on executive turnover led us to group the most relevant into three distinct streams: 1) economic studies of motivation and decision making (Jensen and Meckling, 1976; Eisenhardt, 1989; Walsh 1988; Krug and Hegarty 2001); 2) organizational behavior and human psychology research on the normative and cognitive forces affecting the executives involved (Emerson, 1976; Blumer, 1986; Rouseau, 1989; Dutton, Dukerich, and Harquail, 1994; Davis, Schoorman, and Donaldson, 1997; Ryan and Deci, 2000; Lowenstein and Lerner, 2003); and 3) research on the re-socialization actions of the acquiring firm during the post-merger period (Shrivastava, 1986; Datta, 1991; Birkinshaw, Bresman, and Håkanson, 2000).

Agency Theory (Jensen and Meckling, 1976;

Eisenhardt, 1989) is the dominant theory of corporate governance and helped explain the behavior of the acquiring firm as perceived by the acquired executives. In contrast, Stewardship Theory (Davis, Schoorman, and Donaldson, 1997), with its more humanistic, less economically self-interested perspective, helped explain their behaviors.

Symbolic Interactionism (Meade, 1934; Blumer, 1984) provides the lens through which we interpret the experience of the subjects and how they made meaning of post-merger integration events. Social Exchange Theory (Homans, 1958; Thibaut and Kelly, 1959; Emerson 1976) informs our interpretation of the new relationships formed between acquired executives and the acquiring firms. Expectancy and Met Expectations Theory (Vroom, 1964, 2005; Porter and Steers, 1973) offered a useful explanation of the relationship between motivation and expectations. Literature on the processes associated with intuitive and emotional decisions and trust (Mayer, Davis, and Schoorman, 1995; McNight, Cummings, and Chervany, 1998; Stahl and Mendenhall, 2005) also helped us make sense of what we found in the data.

Central to our findings is the concept of the Psychological Contract (Rousseau, 1989, 1995, 2011; Morrison and Robinson, 1997) and the process by which individuals think about the obligations that exist between themselves and the acquiring firm.

Methodology

This study was conducted using the grounded theory approach first outlined by Glaser and Strauss in 1967. Data was gathered in 32 independent interviews of previously acquired executives. The protocol was designed to solicit data on the experience of those executives and the events that influenced their decisions to stay or leave their new firms.

The subjects represented six different distinct market segments. They were selected from a similar corporate demographic: chief executive, financial and operations officers; business unit managers; and senior corporate functional leads. All were US citizens working in the United States. They represented diversity among region, firm size, and gender. We discovered that many of the subjects had been acquired more than once resulting in a total of 76 separate experiences.

Our goal was to identify the primary influences that motivated and affected the decisions of acquired executives to stay or leave the new company. We selected a multiple phased procedure using the three stages of coding recommended by Saldana (2013): open, axial and theoretical. We captured, manipulated, analyzed, and stored the transcripts and subsequent initial codes using Dedoose, a web-based qualitative and mixed methods software application.

Initial data identification was catalogued using 198 initial (open) codes. Axial coding left us with 18 common ideas. During theoretical coding, we refined, trimmed and integrated high-level concepts to develop eight core categories that were the source of our findings. These theoretical codes were: agency; contracts; decisions; expectations; experience; motivations; stewardship; and trust.

From these categories, three related themes emerged which served as the foundation of our key findings: incongruence, triggers, and switching. The concept of incongruence emerged from codes representing conflict commonly experienced by the subjects between their expectations and the actual PMI experience. The theme of triggers developed from the specific codes representing events that interrupted, breached, or violated the psychological contract. The resultant change of theoretical perspective that

transformed the outlook and behavior of acquired executives we refer to as switching.

Findings and Discussion

Executive attrition in our sample reached 78% within the first 3 years regardless of industry segment, position, or type of acquisition. We discovered that although many acquired executives enter the PMI process from a stewardship perspective, the agency approach generally pursued by acquiring firms during this period resulted in experiences that caused a marked change in which acquired executives soon lost their sense of loyalty, identity, and commitment to the team. They quickly made intuitive or emotional decisions to endure the new firm only as long as required by their retention incentives (see Table 1).

The data revealed that there is often a significant disconnect between the perspectives and expectations of leaders in the acquiring firm and the acquired executives concerning motivation, commitment, and alignment of objectives. We used incongruence to broadly describe this phenomenon. These conflicting perspectives resulted in surprisingly early stay or leave decisions, often within the first few months of closing. Some degree of negative affect associated with this incongruence affected over two-thirds of early leave decisions.

Table 1: Summary of Findings

Theme	Respondents	Characteristics	Outcome
Incongruence	17/53%	Stewardship (loyalty, commitment, ID, autonomy) vs. Agency (control, incentives, process)	Early decision to leave
Triggers	15/47%	Trust violations (competence, honesty, predictability, and benevolence) Status (isolation, marginalization and respect) Identity deterioration	Decision is intuitive/emotional
Switching	11/34%	Just do the job, don't get fired Avoid risk Passive resistance	Stay through earn out; disengaged senior manager; decreased likelihood of achieving M & A objectives

In the absence of pressure or compelling circumstances to make early decisions, the acquired executives made such decisions on an intuitive or emotional basis nearly half of the time (47%). We discovered that these early decisions to leave were predicated on the acquired executives feeling that they did not fit and could no longer be a part of the new organization. We refer to the events that served as the catalysts for these decisions as triggers. These trigger events were closely associated with loss of trust, feelings of isolation or marginalization, value incompatibility, and the deterioration of the acquired executive's sense of organizational identity.

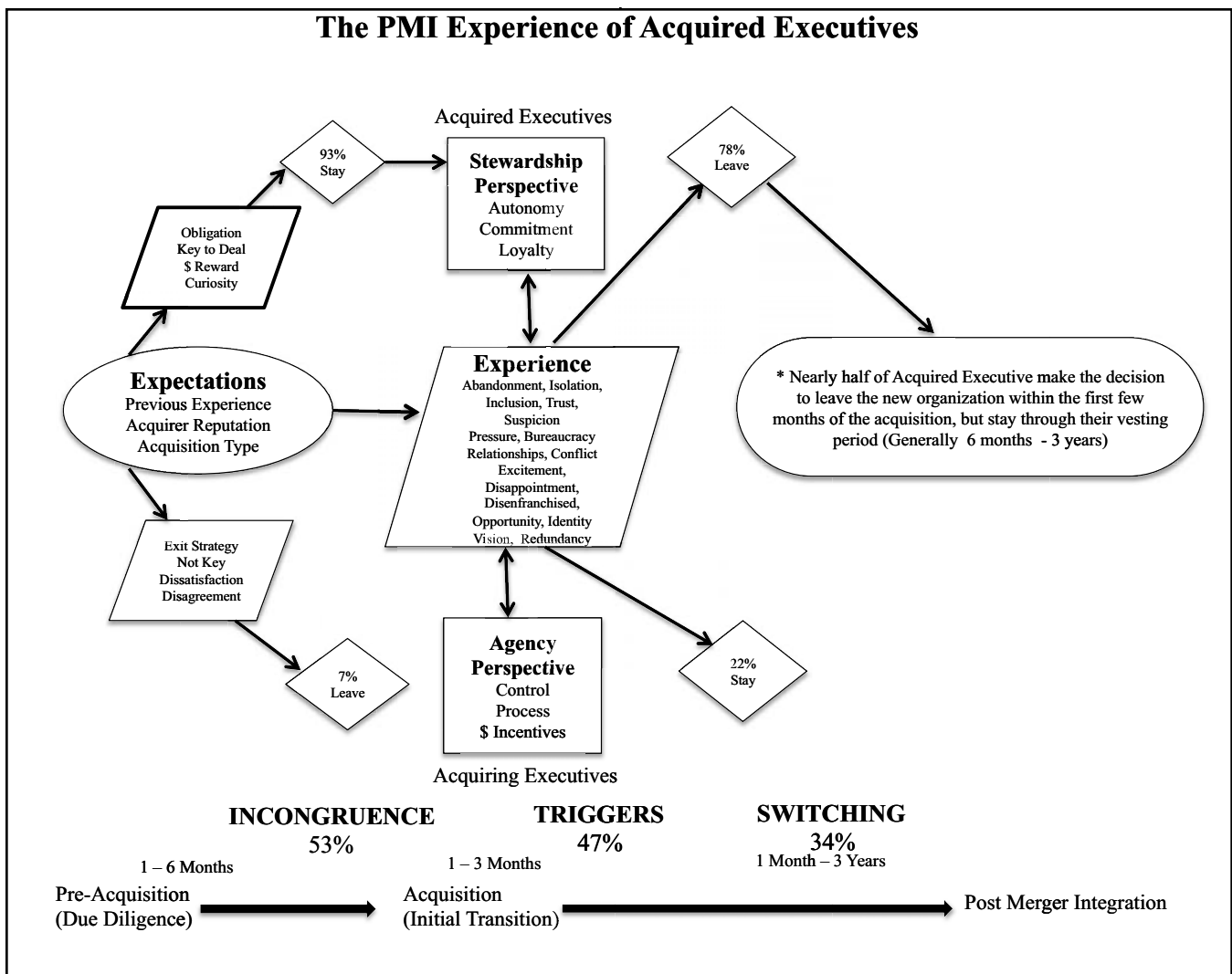
Our most interesting discovery was that over a third of acquired executives demonstrated some level of switching behavior. By this we mean that they transitioned from holding a stewardship view prior to and entering into the acquisition to holding a more self-interested, agent oriented outlook. Their behav-

ioral attributes in many instances transformed from those associated with engaged, effective, and deeply committed leaders to those of adequate managers who have mentally moved on and are merely biding their time until fully vested.

It became clear that although the earn out clauses that bound these executives to the new firm for specified periods of time usually kept them assigned in senior management roles, a subsequent psychological contract was never established, or was invalidated in some regard. See Figure 1 for an overview of the environment experienced by acquired executives and a depiction of the themes, characteristics, and potential outcomes of these findings.

We relied on Self Determination Theory (Ryan and Deci, 2000; Gagne and Deci, 2005) as a concept of human motivation that describes how people grow through a combination of intrinsic motivation and

Figure 1: Overview of the Environment and Depiction of the Findings



the process of internalizing extrinsic practices and values. When viewed alongside Social Exchange Theory it was useful in our recognition and interpretation of the tensions that existed between our protagonists. The incongruences between expectation and experience led to quick decisions, switching behavior, and the failure to establish a binding psychological contract between the parties in many of the acquisitions we explored.

The tenants of stewardship were frequently articulated and described by our subjects in ways that confirm its motivational power and authenticity. What we propose to add to the stewardship concept is the fragility of the ideal, as demonstrated by the switching behavior experienced by our subjects when their environment was interrupted. Although predisposed to and demonstrating a genuine stewardship ethic a third of our subjects switched to a much more economic self-interested agency perspective within months of the acquisition. Behavior that in many cases was clearly not beneficial to the corporation or the firm objectives, but based purely on economic self-interest and was demonstrably un-steward like.

Time and again trust was revealed as the single most important ideal impacting the meaning and interpretation of actions and words. Violations of trust accounted for nearly half of the emotional decisions we saw, and were the reasons for most breaches or violations of the psychological contract.

In her foundational work on psychological contracts Denise Rousseau gives us an enlightening optic through which to view the experiences of the executives in our study (Rousseau, 1995). The development of relational and transactional obligations and the changes in interpretation of those obligations over time helps us explain what is amiss in so many of the acquisition experiences we studied. The interaction that takes place between leaders of the new organization is essential to devising an agreeable psychological contract. The spoken, written, and symbolic dialogue that begins during the first introduction will quickly forge or deem irreconcilable the psychological bond between acquired executive and new employer.

We make a contribution to work on the psychological contract by demonstrating that it is not necessarily formed incrementally over longer periods of time, but can be developed quickly in the case of acquisitions, and that its rejection, breach or violation leads to emotional decisions with consequences that may

last for years. The experiences of the executives we talked with were all too often lacking in any formation of a meaningful psychological contract between the acquired executives and their new employers. The relationship was frequently categorized by incongruence rather than commonality. There was little recognition of the importance of any binding agreement beyond the formal earn out contracts awarded prior to closing. It was this lack of recognition by the acquiring firm that a psychological bond was necessary that led to incongruence, triggers, and switching.

Implications and Limitations

The experiences of the executives we interviewed reveals the important relationship between perceptions, expectations and reality, and adds to the understanding of the relationship between theories of stewardship and psychological contract as they interact during the period of change and uncertainty associated with acquisitions. Our construct and identification of switching behavior provides a new and unique perspective for viewing the acquired executive's environment during the post-merger integration period.

Our research raises a number of questions and opens several avenues for potential follow on research. Exploring the question of expectation management and how effective protocols for ensuring incongruences are minimized might be designed and implemented to help reduce early turnover decisions. A study designed around measuring the engagement and effectiveness of the acquired executives who have made the early decision to leave might better inform how acquiring firms approach post-merger integration.

Our sample size was relatively small and was not equally representative across industry sectors constraining the generalizability of these findings. Although we did not detect significant variance in the experience across sectors, by position, or according to gender, differences might be discernable among a larger sample. The concept of switching did not clearly emerge until our data collection was complete. As a result we were not able to fully explore that phenomena in relation to individual or firm behavior.

Conclusion

Our research into the post-merger integration experience of acquired executives revealed a number of phenomena that lead to early decisions of acquired

executives to leave their new organization before the business objectives of the acquisition are fulfilled. They all too often make impulsive decisions to move on soon after the deals close, but stay in leadership roles until their retention incentives are vested. The confluence of incongruence, triggers, and switching behavior combine to create a situation where senior managers responsible for leading meaningful change leave and become disengaged at rates far in excess of those not exposed to the dynamics associated with M&A activity.

The expectations and experiences of acquired executives are often leading to decisions and behaviors that are starkly different than those intended by managers in the acquiring firms who develop detailed plans and commit tremendous resources hoping that value will be created. Many of the key change agents the acquiring firms are relying on to implement integration plans are checking out early, even when they stay around for several more years. It is essential that executives charged with planning acquisitions and leading post-merger integration understand and are sensitive to both formal and psychological contracts between the new firm and the acquired managers in order to minimize unintended turnover and maximize value creation.

References

- Allred, B. B., Boal, K. B., & Holstein, W. K. (2005). Corporations as stepfamilies: A new metaphor for explaining the fate of merged and acquired companies. *The Academy of Management Executive* (1993-2005), 23-37.
- Birkinshaw, J., Bresman, H., & Håkanson, L. (2000). Managing the post acquisition integration process: How the human integration and task integration processes interact to foster value creation. *Journal of Management Studies*, 37(3), 395-425.
- Blumer, H. (1986). *Symbolic interactionism: Perspective and method*. Berkley, CA: University of California Press.
- Datta, D. K. (1991). Organizational fit and acquisition performance: Effects of post-acquisition integration. *Strategic Management Journal*, 12(4), 281-297.
- Davis, J. H., Schoorman, F. D., & Donaldson, L. (1997). Toward a stewardship theory of management. *Academy of Management Review*, 22(1), 20-47.
- Deci, E. L., Koestner, R., & Ryan, R. M. (1999). A meta-analytic review of experiments examining the effects of extrinsic rewards on intrinsic motivation. *Psychological Bulletin*, 125, 627-668.
- Donaldson, L., & Davis, J. H. (1991). Stewardship theory or agency theory: CEO governance and shareholder returns. *Australian Journal of Management*, 16(1), 49-64.
- Dutton, J. E., Dukerich, J. M., & Harquail, C. V. (1994). Organizational images and member identification. *Administrative Science Quarterly*, 39(2), 239-263.
- Eisenhardt, K. M. (1989). Agency theory: An assessment. *Academy of Management Review*, 14(1), pp. 67-74.
- Emerson, R. M. (1976). Social exchange theory. *Annual Review of Sociology*, 2, 335-362.
- Gagné, M., & Deci, E. L. (2005). Self-determination theory and work motivation. *Journal of Organizational Behavior*, 26(4), 331-362.
- Glaser, B. G., & Strauss, A. L. (1967). *The discovery of grounded theory: Strategies for qualitative research*. Hawthorne, NY: Aldine Publishing.
- Hambrick, D. C., & Cannella, A. A. (1993). Relative standing: A framework for understanding departures of acquired executives. *Academy of Management Journal*, 36(4), 733-762.
- Homans, G. C. (1958). Social behavior as exchange. *American Journal of Sociology*, 63, 597-606.
- Jensen, M. C., & Meckling, M. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Political Economy*, 3(4), 305-360.
- Krishnan, H. A., Miller, A., & Judge, W. Q. (1997). Diversification and top management team complementarity: Is performance improved by merging similar or dissimilar teams? *Strategic Management Journal*, 18(5), 361-374.
- Krug, J. A., & Hegarty, W. (2001). Predicting who stays and leaves after an acquisition: A study of top managers in multinational firms. *Strategic Management Journal*, 22(2), 185-196.
- Leslie, P., & Oyer, P. (2008). *Managerial incentives and value creation: Evidence from private equity (No. w14331)*. National Bureau of Economic Research.
- Loewenstein, G., & Lerner, J. S. (2003). The role of affect in decision making. *Handbook of Affective Science* (pp. 619-642).
- Mayer, R. C., Davis, J. H., & Schoorman, F. D. (1995). An integrative model of organizational trust. *Academy of Management Review*, 20(3), 709-734.

McKnight, D. H., Cummings, L. L., & Chervany, N. L. (1998). Initial trust formation in new organizational relationships. *Academy of Management Review*, 23(3), 473-490.

Mead, G. H. (1934). *Mind, self, and society: From the standpoint of a social behaviorist*. Chicago, IL: University of Chicago Press.

Morrison, E. W., & Robinson, S. L. (1997). When employees feel betrayed: A model of how psychological contract violation develops. *Academy of Management Review*, 22(1), 226-256.

Porter, L. W., & Steers, R. M. (1973). Organizational, work, and personal factors in employee turnover and absenteeism. *Psychological Bulletin*, 80(2), 151.

Rousseau, D. M. (1989). Psychological and implied contracts in organizations. *Employee Responsibilities and Rights Journal*, 2, 121-138.

Rousseau, D. M. (1995). *Psychological contracts in organizations: Understanding written and unwritten agreements*. Thousand Oaks, CA: Sage.

Rousseau, D. M. (2011). The individual-organization relationship: The psychological contract. In S. Zedeck (ed.), *Handbook of industrial and organizational psychology* (Vol. 3, pp. 191-220). Washington, DC: American Psychological Association.

Ryan, R. M., & Deci, E. L. (2000). Self-determination theory and the facilitation of intrinsic motivation, social development, and well-being. *American Psychologist*, 55(1), 68.

Saldaña, J. (2013). *The coding manual for qualitative researchers (No. 14)*. Thousand Oaks, CA: Sage.

Shrivastava, P. (1986). Postmerger integration. *Journal of Business Strategy*, 7(1), 65-76.

Stahl, G. K., & Mendenhall, M. E. (Eds.). (2005). *Mergers and acquisitions: Managing culture and human resources*. Palo Alto, CA: Stanford University Press.

Thibaut, J. W., & Kelley, H. H. (1959). *The social psychology of groups*. New York: John Wiley & Sons.

Vroom, V. H. (1964). *Work and motivation*. New York: John Wiley & Sons.

Vroom, V. H. (2005). On the origins of expectancy theory. In K. G. Smith, ed. & M. A. Hitt (eds.), *Great minds in management* (pp. 239-258). New York, NY: Oxford University Press.

Walsh, J. P. (1988). Top management turnover following mergers and acquisitions. *Strategic Management Journal*, 9(2), 173-183.

FEEDBACK TO THE EDITOR

We welcome your feedback and would appreciate your comments below. Selected comments on articles in the *ODC Newsletter* may be published in the next issue, so please indicate if you prefer your comments to be withheld. Please address all correspondence to:

R. Wayne Boss
 Academy of Management ODC Newsletter
 Leeds School of Business
 Campus Box 419
 University of Colorado at Boulder
 Boulder, Colorado 80309
 (303)492-8488
 Email: wayne.boss@colorado.edu

LETTERS TO THE EDITOR

1. Do you have any comments that you would like to share with the editor (comments on articles from the last issue, comments on this issue, suggestions, etc.)?

NEWS ABOUT MEMBERS

2. Is there any important information about you or a colleague that you would like to have appear in the next issue?

PUBLICATIONS

3. Please list all recent or forthcoming publications by you or a colleague. (Indicate full citation.)
