

A CASE STUDY OF HOW A LEADER SHAPED THE CULTURE OF AN ORGANISATION DURING A POST-MERGER INTEGRATION

By

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DECLARATION

I, Vuyokazi Zozi, hereby declare that the work contained in this thesis is my original work and has not previously, in its entirety or in part, been submitted at any university for a degree.



Signature

31 October 2019

Date

ABSTRACT

This research took the form of a case study of the post-merger integration of a government organisation. The study had four objectives, namely to: (1) describe the cultural value of accountability; (2) analyse how strategic leadership and relational leadership roles were exercised to address post-merger integration challenges; (3) analyse how a leader applied selected primary mechanisms to shape organisational culture; (4) analyse how strategic and relational leadership complemented each other in addressing the challenges of post-merger integration and thereby shaping a culture of accountability; and (5) describe how some of the secondary articulation and reinforcing mechanisms supported the culture that was created through primary mechanisms.

The literature reviewed, identified some of the critical challenges that are experienced in a post-merger integration, and highlighted the role of leadership in culture formation. The critical challenges that were identified are as follows: What is the vision and organisational purpose? How does the leader structure the organisation? What kind of culture does the leader need to create? How does the leader maintain trust and keep communication with employees? How does a leader build new core competences and develop human capital?

Two leadership approaches were adopted, namely strategic and relational leadership. These two leadership approaches were selected because, based on a review of the literature, they appeared to address these post-integration challenges. The roles associated with strategic leadership that were investigated, were creating a vision and purpose for the organisation, developing core competences and developing human capital. From the perspective of relational leadership, this study was concerned with how a leader communicated through regular formal and informal dialogues to keep employees abreast of things, and how the leader built trust.

In reviewing the literature linking leadership and culture, the work of Schein (2010) featured prominently. Schein (2010) referred to primary embedding mechanisms that create culture and secondary articulation and reinforcing mechanisms that reinforce or support the culture being created through the primary mechanisms.

This study looked at how that happens, and hence six propositions were crafted from the literature. These propositions are as follows: (1) Formal dialogues between the leader and employees demonstrate what the leader pays attention to, measures and controls, which then clarifies what the employees are accountable for. (2) What the leader pays attention to, measures and controls during regular informal interactions between the leader and employees, contributes to strong mutual relationships between them, which promotes ownership and accountability amongst employees for their actions. (3) A leader who behaves consistently when handling critical incidents and organisational crises, is trusted by employees, who then act responsibly and take full responsibility

for their actions, and even their mistakes. (4) A leader creates a vision and sense of purpose for the organisation through what he pays attention to, measures and controls, thereby clarifying for employees what they are required to do. (5) A leader who pays attention to developing the organisational core competence and allocates resources to it, instils confidence in his employees with regards to carrying out their own responsibilities. (6) A leader who develops human capital through the allocation of additional resources, thereby instilling confidence in employees who are willing and able to realise or take up their responsibilities.

This research adopted a qualitative approach. Data was collected through conducting interviews and the analysis of relevant documents. A deductive thematic analysis of the data was used for the purpose of identifying, analysing and reporting patterns, or themes within the data collected.

The research confirmed these propositions as being relevant to the case study. It also confirmed that strategic and relational leadership as reflected in the propositions have complemented one another in the successful implementation of the post-merger integration, thereby shaping a particular culture. It was concluded that the challenges associated with a post-merger integration could not have been addressed through only one of the leadership approaches. The findings of the study also recognised that an architectural role was also required. That is, in a merger, the structure has to be carefully designed and not taken for granted. It was therefore recognised as a critical leadership role.

The study considers the implications of the findings and makes recommendations for managers of this organisation, as well as for other organisations that are engaging in a post-merger integration. It further outlines the limitations, delimitations as well as the contribution that the study has made to the body of knowledge. Some of the recommendations made for further research were to analyse how other primary mechanisms that were not part of the propositions may shape the organisational culture; and to research how architectural leadership roles combine with strategic and relational leadership to address post-merger integration challenges. Lastly, this study has explained how leadership, through various mechanisms, shaped a culture of accountability. Other studies can be done using a similar design with different theories of leadership and other mechanisms that apply to shaping other kinds of cultural values.

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“The LORD GOD is my strength and my shield; my heart trusts in Him and
He helps me. My heart leaps for joy, and with my song I praise Him”

Psalm 28:7

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CHAPTER 1: PROBLEM STATEMENT AND PURPOSE

1.1 INTRODUCTION

The research aimed to analyse how relational and strategic leader shaped the culture of an organisation during a post-merger integration. The research was set out in the context of relational and strategic leadership, and how a leader used primary and secondary cultural mechanisms to shape the culture of an organisation. It sought to answer the question: “How does relational and strategic leadership shape the culture of an organisation at the level of organisation values, through the selected primary and secondary mechanisms?”

1.2 CONTEXT OF THE RESEARCH

This study examined a unique case of a merger in government from a perspective of leadership and culture. This case study report was based on the organisation that was formed in 2010 after two government institutions that had operated independently, merged. This organisation’s head office was based in East London.

The organisation staff complement was approximately 500 of which 100 employees were based at the East London head office and the rest were in different organisation business points in the province. The two institutions that merged had different leadership structures with distinct cultures. This study examined how the current leadership shaped the culture of the new organisation that resulted from the merger, and also the leadership process that took place to achieve this. The importance and benefit of the study to the organisation was to highlight the role of leadership in the organisation’s change initiative. Firstly, in light of the fact that two institutions that merged had different leadership structures with distinct cultures, it was of great importance and interest to the current leadership of this organisation to examine how their leadership shaped the culture of the new organisation. Secondly, it is of significance to establish the type of leadership and behaviours that were sustainable and effective in influencing employees in a positive manner. Furthermore, not only could this organisation learn from this study but also other organisations that intend to merge and go through the leadership process to shape the culture of their organisation.

The focus of the study was on the following primary and secondary cultural mechanisms: (1) How a leader allocates resources; (2) How a leader handles critical incidents and organisational crises; (3) What a leader pays attention to, measures and controls regularly; (4) Organisational structure and design; (5) Organisational systems and procedures; (6) Rites and rituals of the organisation. Therefore, the study investigated how a leader shaped the culture of an organisation during a post-merger integration.

1.3 KEY CONCEPTS

The key concepts that this study utilised are as follows:

Relational leadership is defined as “a way of engaging with the world in which the leader holds himself as always in relation with, and therefore morally accountable to othersand engages in relational dialogue” (Cunliffe and Eriksen, 2011: 1425). The study looked into how relational leadership shaped the culture of an organisation during a post-merger integration.

Strategic leadership has been defined as a “leader’s ability to anticipate, envision, maintain flexibility, think strategically, and work with others to initiate changes” (Ireland and Hitt, 2005: 63).

Organisational culture is defined as values and beliefs that give standards of expected behaviours that employees may adopt, according Hogan and Coote (2014). Elkordy (2013:16) defines organisational culture as the “set of processes binding organisational members together based on the shared pattern of basic values, beliefs and assumptions in an organisation”. However, for the purpose of this study, only espoused values were a focal point and not beliefs and assumptions.

Responsibility / accountability was identified as one of the three values that the new organisation subscribed to. This particular value was selected as the focus of the study. Pearson and Sutherland (2017) define accountability within socio-cultural contexts as the perception of being answerable for actions or decisions, in accordance with interpersonal, social, and structural contingencies, all of which are embedded in particular sociocultural contexts.

Seo and Hill (2005:423) describe a *merger* as a process that “involves organisational change, integrating some or all parts of the original organisations’ functions and activities”. A merger is one of the key characteristics of the organisation that was the focus of this study, and informed this study. Hence, it was crucial to consider the impact that the merger had had on the organisation in general, and specifically how this shaped the culture of the organisation.

1.4 METHODOLOGY

The research adopted a post-positivist paradigm (Guba & Lincoln, 1994). An explanatory case study approach was used together with the qualitative research methodology, where the investigation of individuals and processes applied (Creswell, 2009:15), and over which the researcher had no control (Babbie, *et al.* 2007:80, 282).

In terms of data gathering techniques, semi-structured interviews were conducted along with document analysis (i.e. of policies, plans, meetings and other correspondence). During the interview process, the researcher investigated the existing culture in relation to previous cultures that existed in the two institutions; how the current leadership led its employees; whether relational and strategic leadership approaches were used and if so, how these approaches affected the culture.

A deductive thematic analysis of the data was used for the purpose of identifying, analysing and reporting patterns (themes) within the data received (Braun & Clarke, 2008). Pearse (2019) identified the seven steps to be followed in carrying out deductive thematic analysis, which were adopted in this study. Purposive sampling was used to target knowledgeable individuals who were being led, as well as those that exercised leadership in the organisation (De Vos, *et al.* 2011). Literature was reviewed to develop a theory-driven coding memo.

A sample size of nine employees was selected, as the study looked at different levels of leadership and employees. Senior leadership from the two entities that had merged, employees (from the two entities that had merged), and new employees from different levels that had not been part of the merger, were interviewed. The researcher contrasted employees and management by soliciting the employees' perspective as to how the leader and his executives exercised leadership.

1.5 JUSTIFICATION OF THE STUDY

Fischer, Dietz, Antonakis (2017) explain leadership as a process, suggesting that there is a causal relationship between inputs such as leader behaviour, and outputs (e.g. performance). They posit that not many studies have looked at leadership processes from a qualitative point of view, stating that of all the 205 articles they reviewed, only about 0.5% were qualitative (Fischer, Dietz, Antonakis, 2017). Apparently, this is an area that has been neglected and is therefore worth studying due to the gap identified.

The study explored how leadership shaped organisational culture and particularly examined the role of relational leadership and strategic leadership. These two leadership approaches were explored, as literature suggests that they can both shape the culture of an organisation, but need to do so in complementary ways. That is, relational leadership focuses on the interpersonal interaction (Uhl-Bien, 2006) as opposed to the organisation level influence of strategic leadership (Ireland and Hitt, 2005). Thus, the purpose of the study was to analyse how in applying relational and strategic leadership, a leader created cultural artefacts, through primary and secondary mechanisms, to cultivate the cultural values of the new organisation.

1.6 RESEARCH PROBLEM

The research problem of this study was concerned with explaining how relational and strategic leadership shaped the culture of an organisation at the level of organisation values, through the selected primary and secondary mechanisms. The case study analysed was that of the merged organisation, which was created through a post-merger integration.

The field of research was organisational behaviour, and the research drew from the resource-based theory (RBT), which recognises leadership and organisational culture as internal resources that can be used to build a core competence (Davies, 2017).

In analysing mergers and acquisitions, Steigenberger (2017) argues that leadership and communication-based interventions are essential to eliminate the challenges related to integration, and argues that there needs to be careful management of the cultural and leadership elements of a merger. However, the literature on mergers and acquisitions indicates how challenging it is for entities to deal with cultural change (Steigenberger, 2017).

Steigenberger (2017) posits that prominent merger and acquisition failures are attributed to poor integration management, giving as an example the merger of Daimler and Chrysler that failed, due to structural and social differences. These structural and social differences interacted in a way that adversely affected the merger and integration processes and outcomes. Critical social and cultural issues had been disregarded. Over and above the disregard of social and cultural issues, there were differences in management and communication styles that led to resistance by Chrysler (Steigenberger, 2017). This disregard also led to overall poor performance and ultimately both Chrysler and Daimler were dissatisfied, hence the merger became a dismal failure (Steigenberger, 2017). Culture, social identity and leadership are said to be the “sub topics” of mergers and acquisitions, as they are inextricably linked (Steigenberger, 2017).

According to Hogan and Coote (2014), organisational culture refers to the values and beliefs that give standards of expected behaviours that employees may adopt. This study focused on two levels of organisational culture, namely values and artefacts (Schein, 2010). Schein (2010) proposes 12 visible artefacts of the emerging culture that would be key in the embedding and transmission of the culture of an organisation, which can be understood when the leaders’ actual behaviours have been observed. Schein (2010:236) categorises the 12 visible artefacts into primary embedding mechanisms and secondary articulation and reinforcement mechanisms. Primary embedding mechanisms include: (1) What a leader pays attention to, measures and controls regularly; (2) How a leader handles critical incidents and organisational crises; (3) How a leader allocates resources; (4) Intentional teaching, coaching and role modelling; (5) Their allocation of rewards and status; and (6) How they select, recruit, promote and exclude. On the other hand, secondary articulation and reinforcement mechanisms include: (1) Organisational structure and design; (2) Systems and procedures; (3) Rites and rituals of the organisation; (4) Physical space, facades and buildings design; (5) Stories regarding significant events and important people; and (6) Formal statements regarding the organisation’s philosophy, charters and creeds (Schein, 2010:236).

Given the limited scope of this study, it was not feasible to explore all of the above-mentioned mechanisms, and preference was given to issues relating to problems of “internal integration” (Schein, 1996) during the merger. Three primary and three secondary mechanisms were selected.

Firstly, what a leader pays attention to, measures and controls regularly was selected, in order to determine if the leader pays more attention to organisational performance and/or employee wellness. Here, examining the kind of message communicated by a leader to their employees had to be explored, as the communicated message and leadership behaviour should be consistent (Schein, 2010). Secondly, given that the organisation went through a post-merger integration, how a leader handled critical incidents and organisational crises was a relevant focus. Members of the organisation may be able to recall these critical incidents in relation to their leader's emotion and the behaviour that they observed in response to the incidents (Schein, 1996). This mechanism reveals emotions that are elevated during critical incidents faced by the organisation, which have a direct impact on the shaping of the culture (Schein, 2010). Employees mirror their leader's behaviour, as they believe that it is the correct way to behave (Schein, 1996). They are constantly aware of, and observe the things their leader says and does (Schein, 1996). The third mechanism that was focused on was how a leader allocates resources. That is, identifying the key departments that receive the major part of the organisational resources and why. This involved exploring specific line items to determine where the largest portion of the budget is allocated.

The first of the three secondary mechanisms that the study explored was organisational structure and design. One of the reasons to investigate this artefact was to understand how, in the light of the merger of the two organisations, the organisational structure and design affected the culture. Secondly, systems and procedures were analysed to determine how they contributed to culture formation. This reinforcement mechanism provides consistency in the existing culture and strengthens the message that leaders communicate (Schein, 2010). Thirdly, the study explored rite and rituals as one of the secondary articulation and reinforcing mechanisms that support culture especially during the post-merger phase. Thus when considering a merger, these were the kind of mechanisms that were more relevant to look at.

The purpose of the study was to analyse how in applying relational and strategic leadership, a leader created cultural artefacts, through primary and secondary mechanisms, to cultivate the cultural values of the new organisation.

1.7 RESEARCH GOAL

The research aimed to analyse how in applying relational and strategic leadership, a leader created cultural artefacts, through primary and secondary mechanisms, to cultivate "Accountability" – a cultural value of the new organisation.

Specific objectives of the study included the following:

1. To describe "Accountability" – the identified current cultural value;

2. To analyse how strategic and relational leadership roles were exercised to address post-merger integration challenges;
3. To analyse how a leader applied selected primary mechanisms (viz. what the leader pays attention to, measures and controls regularly; how a leader handles critical incidents and organisational crises; how a leader allocates resources) to shape organisational culture;
4. To analyse how strategic and/or relational leadership complemented each other in a) addressing the challenges of post-merger integration and b) shaping a culture of accountability.
5. To describe how some of the secondary articulation and reinforcing mechanisms supported the culture that was created through primary mechanisms.

1.8 OUTLINE OF THE STUDY

The following five chapters are contained in this study:

Chapter 1 provides an introduction to the study. It further presents key concepts, the research problem, research methodology, the importance of the study, the research goals and objectives, and an outline of the chapters contained in this study.

Chapter 2 provides the theoretical context on mergers, culture and leadership as well as values. The chapter delves into the concept of a merger, exploring its challenges and what happens to culture in the midst of a merger; how a leader then shapes the culture of an organisation through primary and secondary mechanisms using Schein's (1984; 2010) model of organisational culture.

Chapter 3 focuses on how the research was conducted in terms of the research methodology and provides the research goals, as well as research paradigm and research method adopted. Data gathering techniques, research participants, methods of analysis, and ethical considerations are also outlined.

Chapter 4 presents key findings gathered during interviews and presents those findings in relation to the propositions of the study. The chapter further provides the discussion of the findings.

Chapter 5 provides a conclusion of the study, which serves to restate the key contributions of the study. This chapter discusses the managerial implications of the findings, acknowledging the research limitations and delimitations as well as presenting recommendations for further research.

CHAPTER 2: LITERATURE REVIEW

2.1 INTRODUCTION

This chapter reviews literature on the resource-based theory (RBT) which formed the key theory of this research. It further reviews literature on mergers and acquisitions, post-merger integration, leadership, how a leader shapes culture, thereby introducing the propositions that were tested in the study.

2.2 RESOURCE-BASED THEORY (RBT)

Barney, Ketchen and Wright (2011:1300) assert that the resource-based theory (RBT) is viewed as one of the fundamental, formidable and key theories for illustrating and elaborating on issues relating to organisations. Rashidirad, Soltani and Salimian (2015) argue that RBT becomes key when depicting the significance of resources and capabilities in terms of obtaining best organisational performance. The RBT argues that for organisations to be successful, they compete based on their internal resources. Since the focus of this study is on a government organisation, which does not necessarily compete on its mandate, emphasis is on the development of the internal core competences as the basis for the success of a government organisation, specifically looking at leadership and culture as internal resources.

Thus, this study has drawn from RBT, which recognises leadership and organisational culture as internal resources that can be used to build core competence (Davies, 2017). These key internal resources are looked at in the context of a merger.

2.3 MERGERS AND ACQUISITIONS

This study examined the case of a merger, with special focus on organisations that have different cultures and that have come together to create one organisation and require one culture (Epstein, 2005). Seo and Hill (2005:423) describe a merger as a process that “involves organisational change, integrating some or all parts of the original organisations’ functions and activities”. In addition, Moffat and McLean (2010:534) refer to a merger as “an integration of two legacy cultures, blending the best that both companies represent”. When a merger takes place, there is inevitably restructuring of the organisation and its leadership. However, Bereskin, Byun, Officer and Oh (2018) observe that in the integration of different organisational activities, cultural differences, and lack of cultural fit of the merging institutions, are the key contributing factors to the failures of mergers.

In analysing mergers and acquisitions, Steigenberger (2017) argues that leadership and communication-based interventions are essential to eliminating the challenges related to integration. He further argues that there needs to carefully manage the cultural and leadership elements of a

merger. Mergers can be challenging in an organisation, because they unsettle core competences, as one has to form new core competences in the newly formed organisation. There are challenges in establishing new core competences, especially in terms of leadership and culture and the change that goes with the process of merging (Steigenberger, 2017). In addition, Moffat and McLean (2010) state that leaders face various challenges during a merger. These include dealing with cultural differences, managing legal issues and operational technicalities. For one to state that the merger was successful there has to be “post-merger integration”, which can be facilitated by the merging of the corporate cultures (Moffat and McLean, 2010). In mergers, the merging organisations have different cultures that have come together to create one culture. When the two entities merge, there is often a culture collision. Moreover, this collision mainly happens because the two entities had their own leadership and two distinct cultures before the merger. Buono, et al. (1985) refer to “subjective” organisational culture, which is the managerial-level culture, reflecting how leaders behave in an organisation having been influenced by the espoused organisational values (Buono, et al., 1985). Buono, et al. (1985) further reveal that, since organisational members are so embedded in their cultures, they seldom fully realise its influence on their behaviour, and it is this embeddedness which leads to “cultural collision”. This cultural collision can lead to the disruption of the entire workings of a newly formed organisation. Inevitably, when two organisations merge, leadership is restructured as new appointments are often made in the process, and a new organisational culture is created.

2.4 POST- MERGER INTEGRATION

Mergers consist of a number of phases, namely, the pre-merger, during-merger and post-merger phases, but this study focused on the post-merger phase. Thakur, Bansal and Stokes (2016) suggest that the post-merger integration process refers to a large number of activities undertaken to marry two previously separate organisations into one, after the merger agreement is finalised. Thakur et al. (2016) argue that a post-merger that is badly managed may result in undesirable outcomes for the merged organisation. This includes (1) loss of trust in the leadership of the organisation; (2) loss, or waste of valuable resources; (3) problems with organisational communication; (4) breakdown of collaborative working relationships; (5) loss of tacit knowledge; (6) damage to organisational culture; (7) damage to organisational image and brand equity; and (8) a loss of key talent.

The post-merger integration phase, which is particularly challenging for the organisational leadership, often bears the following challenges: (1) vision and purpose; (2) organisational structure; (3) organisational culture; (4) trust and communication; (5) core competences; and (6) human capital. So leaders need to closely manage this post-merger integration phase, given the number of challenges that they need to deal with. Each of the challenges is discussed next.

2.4.1 Create vision and purpose

The new vision and purpose are needed for the new organisation and the new identity needs to be created. Successful mergers are often as a result of the leaders who share their vision of the new organisation and pay attention to human resource management (Appelbaum, et al., 2014). Appelbaum, et al. (2014) further assert that, during the merger process, it is very important for the leaders to first initiate the process of getting a new corporate identity for the merged organisation. This should be done without necessarily ignoring the feelings and concerns of people. Management strategies have to be implemented throughout the process of the merger.

The newly formed organisation requires a new strategy to be formulated, implemented, and it must be noted that the new organisation may not necessarily have the readily available core competences to successfully implement the new strategy (Steigenberger, 2017). Epstein (2005) cites strategic vision and fit as one of the fundamental contributing factors to a successful merger. He further posits that there needs to be a clear strategy of the new company as well as its integration.

Appelbaum, et al. (2014) describe the formula for leaders to succeed with mergers as follows: (1) dedicating executive time and focus; (2) putting together a leadership team; (3) focusing management attention on success factors; (4) creating a sense of human purpose and direction; and (5) modelling desired behaviour. Moreover, during the merger, leaders can manage to make this process less stressful for employees by telling the employees what the new organisation will mean for them specifically, and what it will mean for the organisation in general. New organisational goals should be clearly defined. This will ease the tension and bring reality into their minds of what will happen going forward, and it will improve staff morale.

In addition, assistance with the adoption of the new system becomes key, and it is essential to develop a sense of purpose and share the new values. An inclusive approach is crucial in this process to make employees feel that they really want to help make the changes possible.

2.4.2 Organisational structure

Structure typically follows strategy (Venter, 2013). When two organisations merge, restructuring becomes inevitable for the new organisation to be fit for purpose. Hence it becomes a necessity to redesign and restructure the organisation. It is at post-merger stage that employees are concerned about their integration into the new system and their position in the organisational structure. De Noble et al. (1988) suggest that strategy and structure should be linked, with the structure reflecting the underlying organisational strategy for it to be successful. Leaders need to rethink the structure of the organisation carefully. New lines of authority and reporting lines should be made clear, to create a context to the operations and changes that may be deemed necessary. Thus, an organisational structure that is well defined is mandatory (Epstein, 2005).

2.4.3 Organisational culture

Organisational culture is defined as the values and beliefs that give standards of expected behaviours that employees may adopt (Hogan and Coote, 2014). Elkordy (2013:16) describes organisational culture as the “set of processes binding organisational members together based on the shared pattern of basic values, beliefs and assumptions in an organisation”. However, for the purpose of this study, focus has been on espoused values and not on beliefs and assumptions. On the other hand, Okumus (2003:876) states that organisational culture is simply a “shared understanding of employees about how they do things within the organisation”. Moffat and McLean (2010:536) strongly believe that the “shared understanding” is mainly an essential facet of culture.

In the post-merger integration, shaping a new culture is critical in ensuring the success of the merger. Moffat and McLean (2010) refer to organisational culture as distinguished methods of thinking, behaving and talking, that have a distinctive, recognisable and increasingly stable and taken-for-granted quality to them. It is therefore critical to establish what happens to culture in the midst of the merger under a certain leadership style. Gelfand, Gordon, Li, Choi, and Prokopowicz (2018) suggest that, during a merger, some important aspects that could potentially be detrimental to the merger often get overlooked and are recognised only after the fact. Bresler (2007) and Gelfand *et al.* (2018) further suggest that a feasibility study should be conducted prior to a merger that should, amongst other things, investigate the cultural compatibility of the merging entities.

Research evidence suggests that culture collision has been one of the main derailers of mergers in the past. Gelfand, *et al.* (2018) refer to a merger of Amazon and Whole Foods that had everyone optimistic, but little did they know that cultural differences could make or break the merger of the two entities, depending on how the post-merger integration is managed. With Amazon and Whole foods, there were two cultures that merged, a “loose” culture merging with a “tight” culture. It resulted in a cultural clash or cultural collision (Gelfand, *et al.*, 2018; Buono, *et al.*, 1985). This impacted on the psychological aspect of employees whose health and welfare was compromised, instead, the focus was put on the finances and operations of the merged entities (Gelfand, *et al.* 2018; Bansal, 2016).

Gelfand, *et al.* (2018) state that, a “tight” organisational culture is stringent and rule-based, with an intention to maintain value consistency, whereas a “loose” organisational culture is more agile and flexible. This leads to different leadership preferences, for example, employees who work in “loose” cultures would prefer transactional leaders who value and capacitate their workers, as was the case with Whole Foods leaders. Contrary to that, employees with “tight” cultures prefer leaders who exemplify self-reliance, and prefer a top-down approach to decision making (Gelfand, *et al.* 2018).

At Amazon, employees understood systems and procedures that guided their thinking and shaped their behaviour (Gelfand, *et al.* 2018). The message that leadership often communicated to employees was “excellence”. They invested in building core competences as well as continually

building their capacity, in terms of resource allocation, to obtain high standards (Gelfand, *et al.* 2018). On the other hand, what they measured and controlled regularly was performance, as a means to achieve the desired high standards (Gelfand, *et al.* 2018).

The above example is indicative of the cultural differences, leadership and behaviours that are employed in different organisations, which then have a direct impact on culture when organisations merge. Moffat and McLean (2010) suggest that various challenges associated with a merger and the failure of cultural integration post-merger, often lead to the dismal failure of mergers. The newly formed organisation should form its own distinctive culture and not simply blend the existing two cultures. As a result, focus should not necessarily be on culture integration but on culture formation (Moffat and McLean, 2010).

Literature on mergers and acquisitions indicates how challenging it is for entities to deal with cultural change and the consequences that go with the merger and culture (Steigenberger, 2017). Steigenberger (2017) posits that prominent mergers and acquisitions failures are attributed to poor integration management, giving as an example the merger of Daimler and Chrysler that failed due to structural and social differences. These structural and social differences interacted in a way that adversely affected the merger and integration processes and outcomes. Consequently, critical social and cultural issues were disregarded. Over and above the disregarding of social and cultural issues, there were differences in management and communication styles that led to resistance by Chrysler (Steigenberger, 2017). This disregard also led to overall poor performance and ultimately both Chrysler and Daimler were dissatisfied, hence the merger became a dismal failure (Steigenberger, 2017). Culture, social identity and leadership are therefore said to be the “sub topics” of mergers and acquisitions, as they are inextricably linked (Steigenberger, 2017).

In this research, the focus was on responsibility or accountability as a cultural value. In this study, responsibility, accountability and answerability are used interchangeably. Pearson and Sutherland (2017) define accountability within socio-cultural contexts stating that, accountability is the perception of being answerable for actions or decisions, in accordance with interpersonal, social, and structural contingencies, all of which are embedded in particular sociocultural contexts. They further stress the importance of culture in accountability systems, with accountability being defined as a process, not an event. Therefore, ensuring accountability is of strategic importance (Pearson and Sutherland, 2017). Accountability of conduct further emphasizes that employees are agents of their own behaviour, and are held answerable for those behaviours (Pearson and Sutherland, 2017).

According to McGrath and Whitty (2018:689) there are various concepts relating to responsibility, for example: “trust, capability, judgment and choice”, while the general concepts relating to accountability are “answerability, blame, burden and obligation”. Cornock (2011) asserts that, one can delegate a certain responsibility but cannot delegate accountability. Cornock (2011) further argues and acknowledges the use of the two concepts, “accountability and responsibility”

interchangeably, stating that from a legal perspective, these two concepts have distinctive meanings and ramifications, even though they are correlated. Cornock (2011:25) describes the meaning of responsibility as “to be responsible for an act one undertakes”, while accountability means “to be called to account”. He argues that when one is allocated a task to do (that is, being responsible for a certain task), that does not imply that, that very same person can also be accountable for it. Therefore, according to Cornock (2011), one can take responsibility but not be expected to account. Vize (2009:8) argues that, in as much as responsibility and accountability may differ in meaning, the bottom line is that, accountability is used to measure responsibility.

Bourne and Jenkins (2013:498) state that, as senior management has the responsibility to achieve organisational goals, they inculcate values to acquire the desired behaviours in social networks. They further argue that, although espoused values are considered integral in an organisation, they may not necessarily be considered as “valid representation of the entirety of organisational values”, as there may be other values that creep in that may not necessarily be espoused values (Bourne and Jenkins, 2013).

2.4.4 Trust and communication

In the post-merger integration, trust building becomes crucial. Bansal (2016) suggests that trust deficiency during mergers arises as a result of employees who tend to be ignored in the process of the merger and attention being given to financial or operational facets. This period of a merger is characterised by poor communication and much uncertainty, as employees do not know their future in the workplace. Thus, during a merger, leaders should not only focus on the operational and financial status of the organisation, but also on the psychological aspect of the human capital (Bansal, 2016).

Appelbaum, et al. (2014) posit that distrust and tension arise once the merger has been proclaimed. It therefore becomes very important to manage the flow of information throughout the period. The message about the merger should also be formally communicated to all employees from the outset.

Communication is vital to ensure that trust is built and to allay any concerns and uncertainties of employees (Appelbaum, et al. 2014). Also, leaders should not try to spare employees from suffering and pain by distorting information. Leaders are advised to communicate facts to employees and be honest to maintain a high level of trust. The constant communication of factual information with employees builds trust. Moreover, trust in those employees who have been retained in the organisation is also influenced by the manner in which employees whose jobs were terminated were treated, and will provide a certain level of comfort that they will be assisted and supported throughout the system, and not be left on their own (Appelbaum, et al. 2014).

Bodner et al., (2018) refers to an organisation that implemented strategies that led to successful and high-performing post-merged organisations. These strategies included continuous communication

of the vision, strategy and core values through open and meaningful conversations with all employees about the roadmap to post-merged success. The executive leadership showed consistency in keeping their employees updated of the processes taking place and involved them in those processes.

Appelbaum, et al. (2014:682) state that, “providing clear, consistent, factual, sympathetic, and up-to-date information in various ways will increase the coping abilities of employees, which will in turn increase their productivity. This increased productivity will positively impact on the firm's performance and create sustained competitive advantage by achieving the projected strategic fit and synergies”. Epstein (2005) and De Noble et al. (1988) recommend that it is crucial to communicate specifics in detail to all employees and to always avoid ambiguous messages. Effective communication throughout the merger process plays a vital role and thereby leads to a successful merger. De Noble et al. (1988) suggest that communication to employees may be done in management meetings or issue out newsletters.

To manage uncertainty and dysfunctional outcomes, effective communication strategies should be devised and implemented throughout the process (Appelbaum, et al. 2014). It is therefore very important to maintain honest and open communication during the merger process in order to deal with employees' uncertainty, insecurity and stress, as this has a positive impact on the results of the merger. Over and above that, leaders can further assist their employees by: (1) modelling new behaviour, thereby leading by example as this often leads to employees gaining more confidence in the new system; (2) rewarding the desired behaviour, even though it may not be intrinsically motivating; (3) leading the team by eliciting a new excitement from the team at large (Appelbaum, et al. 2014).

2.4.5 Develop core competences

In bringing two organisations together that previously had their own resource base, the new organisation faces a challenge of building a new core competence. Core competence comprises collective organisational capabilities. Andrews (1971:46) presents the concept of core competence as “what the company can do particularly well”. On the other hand, Prahalad and Hamel (1990:82) describe core competence as “the collective learning in the organisation, especially how to co-ordinate diverse production skills and integrate multiple streams of technologies”. Mooney (2007) states that researchers in general describe core competences as “the basic building blocks for a firm's corporate strategy”. Moreover, Mooney (2007) describes the two fundamental attributes of core competence as; (1) a skill or capability of a firm rather than the mere ownership of a resource; (2) they should be prominent in helping a firm achieve its purpose. She therefore summates that a core competence is pivotal to a firm's value-generating activities.

Le Deist and Winterton (2005) view core competences from the RBT perspective, stating that they are the organisation's internal resources that sustain the competitive advantage of the organisation. They continue to say that, these internal resources should be unique and add value to the organisation. Seyhan et al. (2017) suggest that there is a correlation between the long term improvement of organisational performance and core competences which are also referred to as strategic competences. Therefore, for organisation to cope with growing uncertainty in the economic environment, organisations need to differentiate themselves from the rest and stand out. This requires organisations to improve their capabilities, as well as technical skills (Seyhan et al., 2017).

2.4.6 Develop human capital

In support of building a new core competence, human capital needs to be developed. New skills and talents that may be relevant will be required in the new organisation. Schultz (1993) defines human capital as a fundamental component in improving the organisation's employees and assets, to sustain competitive advantage and increase productivity in the organisation. Channar et al. (2015); Rizvi (2010); and Schultz (1993) all argue that human capital signifies skills, abilities and knowledge that enable employees to perform their duties and generate economic value. Rizvi (2010:18) further argues that human capital development is "about recruiting, supporting and investing in employees through education, training, coaching, mentoring, internships, organisational development and human resource management". Thus, human capital development is more about developing individuals' knowledge, skills and competencies, which accelerate the formation of social, personal and economic wellbeing. All this development of human capital impacts positively in terms of enhancing the organisation's competitiveness or performance; however, it is necessary to ensure that the right employees are placed in the right positions (Rizvi, 2010).

Thakur et al. (2016) suggest that generally the remaining employees in the merged organisation realise there are new growth opportunities and are willing to take on their new roles, but need to be better prepared, given the structural and role changes that occurred during the merger. Thakur et al. (2016:7) assert that, "training and development is pivotal in mergers and acquisitions' success as managers and employees require training in order to meet the needs of new positions created".

Training and development of human capital can increase organisational efficiency and improve the effectiveness of knowledge integration. Thakur et al., (2016) advocate for the capacitation of human resources, stating that an organisation can improve its position through learning and acquiring new resources or improved resources. Thakur et al., (2016:7) posit that, "learning can be generalised in the form of cross-pollination resulting in a diverse set of skills, competencies, and resources or it can be specialized, focusing on the new markets that have been accessed through the acquisition". Therefore, training and development of human capital enhance the "concept of competencies building in order to meet the requirements of the change situation".

Marimuthu et al. (2009:266) assert that “firms will need to invest resources to ensure that employees have the knowledge, skills, and competencies they need to work effectively in a rapidly changing and complex environment”. Necessary resources should be invested in developing human capital in order to realise a positive impact on performance (Marimuthu et al., 2009). In addition, organisations need to improve and enhance their workforce through broad human capital development programmes for long term sustainability of the organisation (Marimuthu et al., 2009).

2.5 LEADERSHIP

As noted earlier, when the merger takes place, there are a number of challenges that the leadership needs to deal with. This highlights the importance of the role of strategic leadership to deal with issues of purpose, structure, development of core competence and human capital. In addition, relational leadership highlights the importance of communicating effectively and thereby building trust in the organisation.

In the sections that follow, strategic leadership is discussed in more detail, followed by relational leadership.

2.5.1 Strategic leadership

Pearce and Robinson (2007:3) refer to strategic leadership as a “set of decisions and actions that result in the formulation, implementation and control of plans designed to achieve an organisation’s vision, mission, strategy and strategic objectives within the business environment in which it operates”. On the other hand, Ireland and Hitt (2005: 63) define strategic leadership as a “leader’s ability to anticipate, envision, maintain flexibility, think strategically, and work with others to initiate changes”.

Such leaders have to champion strategic planning within the resources that they have or have leveraged so as to succeed and keep up with the industry trends (Batra, Kaushik and Kalia, 2010). The success of the organisation depends not only on the leadership but also on how the strategic intent has been crafted and pursued (Venter, 2013; Seah, Hseih and Huang, 2014). The strategic intent includes the cultural values which do not constantly change, even if the strategy is reviewed.

Ireland and Hitt (1999) assert that strategic leadership is fundamental to an organisation, as it fosters a competitive advantage. However, in the case of a government organisation, it will not provide a competitive advantage, but support the successful implementation of the organisational mandate. Effective strategic leaders often have a leeway to shape the organisational culture and position the organisation to achieve its mandate (Seah, *et al.* 2014), which indicates that their role can lead to more than just implementing organisational strategy.

2.5.1.1 Roles of strategic leadership

Venter (2013) posit that strategic management focuses on the implementation of the strategy, goals for value creation, how that value is delivered and how the organisation responds to the internal and external demands and environment. This is perceived as the key role of a strategic leader. Ireland and Hitt (2005) argue that strategic leaders influence the organisational culture through (1) formulating the organisation's vision and purpose; (2) developing, exploiting and maintaining core competencies in order for the organisation to fulfil its mandate and excel in the industry (Ireland and Hitt, 1999); (3) developing human capital as a critical resource on which many core competencies are built and through which core competencies are utilised successfully (Ireland and Hitt, 1999); (4) sustaining an effective organisational culture; (5) emphasising ethical practices; and (6) establishing balanced organisational controls (Ireland and Hitt, 1999).

Therefore, in the context of the merger, the study focused on the following three critical strategic leadership roles that enhance internal integration, thereby shaping the culture of an organisation: (1) formulating the organisation's purpose or vision; (2) exploiting and maintaining core competences; and (3) developing human capital. From Schein's (2010) perspective, as leaders engage in these external adaptation and internal integration activities, that is how culture is shaped. The study thus examined the impact of exercising these roles on shaping of culture.

1) Create vision and purpose

When exploring the challenges of post-merger integration, one needs to determine how leaders create a new vision and purpose for the organisation. Venter (2013) and Foster and Akdere (2007) refer to vision as a belief to achieve future intended goals and offer direction to an institution. Setting up a vision becomes more of a top management function, particularly a visionary leader in an organisation.

Leaders provide vision and purpose for the organisation, which serve as a clear guide for choosing current and future courses of action (Venter, 2013; Cannella, 2001, Foster and Akdere, 2007). Therefore, leaders foster a certain culture that will propel the organisation to meet the set vision and the intended organisational purpose (Schein, 2010). Azhar, Ikram, Rashid, Saquib (2012) assert that vision and purpose form part of the strategy formulation for the organisation to achieve its intended objectives.

Ireland and Hitt (2005) refer to TRW's Chief Executive Officer (CEO) who created the vision and purpose of the company by forming the top management team (TMT), comprising a small group of the organisation's executives who, together with the CEO, provide strategic leadership. The CEO and the TMT (1) provided general guidelines of the strategic direction the organisation takes and steps leading to reaching of the goal; (2) after creating the vision, followed up with believable and implementable action plans; (3) articulated a tangible vision, values, and strategy for their firm; (4)

ensured that once the organisational purpose had been set, all other employees including the top management team, would be empowered to design and execute strategies and courses of action to accomplish that end; (5) empowered employees so as to deliver on achieving the organisation's vision; (6) involved employees and allocated them responsibilities so that they could contribute to the vision; and (7) used various platforms to communicate the vision and purpose.

2) Develop core competences

A core competence is a differentiator, that which makes the organisation stand out, and which is a distinct capability that other firms may not find easy to emulate (Galpin, 2018; Venter, 2013; Bilgin, Bilgin and Kilinc, 2016). Ireland and Hitt (2005:69) assert that, "combinations of a firm's resources and capabilities that are valuable, rare, costly to imitate, and for which there are no equivalent strategic substitutes can be rightly identified as core competencies". The new vision and purpose often require new a core competence as an enabler. Therefore, leaders develop a new core competence by either integrating some core competences from each merging organisation or create a new competence for the newly merged organisation so as to improve the organisation's performance. Leaders have to maximise use of core competencies to generate value that is more competitive. Leaders need to have exclusive knowledge as that is the basis of the competitively valuable core competencies and given that it serves as a driver of strategic decisions and actions.

Organisations have to rebuild organisational capabilities and ensure that the organisation has the appropriate skills and talents in the right places. The key aspect of building core competences is therefore how the organisation builds the organisational human capital.

3) Develop human capital

The leadership should look into building relevant skills and talents aligned with core competence, purpose and structure. Ireland and Hitt (2005:70) state that, "strategic leaders are those who view organisational citizens or workforce as a critical resource on which many core competencies are built and through which competitive advantages are exploited successfully". They posit that human capital can be developed by (1) continually investing in the workforce to nurture their creativity and be well educated which then would enable them to form effective and efficient teams; (2) allocating a certain percentage of organisational budget to human capital development; (3) institutionalising education for the purpose of improving organisational performance, as there is a correlation between investing in education and an increase in productivity; (4) encouraging each employee to fulfil their potential; and (5) creating greater workforce diversity.

2.5.2 Relational leadership

Uhl-Bien (2006:668) defines relational leadership as a “social influence process through which emergent coordination (i.e., evolving social order) and change (i.e., new values, attitudes, approaches, behaviours, ideologies, etc.) are constructed and produced”. According to Uhl-Bien (2006), the hierarchical position that one holds does not determine the leadership relationship that one has formed with the other person/s, and therefore this kind of relationship can be formed as a result of interactive engagements in the workplace.

The relational process, which according to Carmeli, *et al.* (2011: 31), is about “creating psychological conditions of trust and facilitating learning from failures”, becomes critical and is the main focus in relational leadership.

2.5.2.1 Roles of relational leadership

According to Cunliffe and Eriksen (2011), relational leaders build the organisational culture in the following ways: (1) interact with individuals or with groups regularly; (2) treat employees as human beings and with dignity, which is a moral responsibility; (3) show others appreciation, respecting and valuing them; (4) develop and encourage others to grow and learn from each other (Cunliffe & Eriksen, 2011).

In the context of a merger, this study focused on the following behavioural aspects of relational leadership: Relational leaders (1) show trust in others, and as a result of that, employees tend to take full responsibility for their mistakes; (2) develop interpersonal interaction at work with others; (3) promote dialogue in a safe work environment and recognise views of others (Carmeli, *et al.* 2011). When trust has been developed between the leaders and employees, it leads to work processes that usually give rise to positive work behaviours and outcomes (Carmeli, *et al.* 2011).

The study only focused on the roles that are more applicable in mergers. With regards to relational leadership, communication and trust are highlighted and therefore, it is necessary to have (1) leaders who engage in formal dialogues; (2) leaders who interact in informal dialogues; and (3) leaders who build trust.

1) Formal dialogues

Leaders should engage in regular formal dialogues to keep employees abreast of issues. Formal dialogues in organisations are normally used to stimulate stakeholders intellectually with a view to improve organisational systems, or come up with solutions in the workplace (Fay, 2011). This relational practice has a tendency of connecting employees and has a positive effect in the work environment. These dialogues are characterised by pre-set agendas, knowing what problem to solve or what systems or processes to improve and hence the solicited input from others (Fay, 2011).

Leaders promote dialogue in a safe work environment and recognise views of others (Carmeli, *et al.* 2011). They enable employees to express themselves freely and allow employees to have differences and opinions but, they work towards achieving a common goal. They deliberately involve and include others and provide a platform for intellectual stimulation.

The International Institute for Environment Development (IIED) report (2016) provides the basis for organisations that engage in formal dialogues, stating that those organisations do it for the purpose of initiating discussions around changes that affect other stakeholders, directly or indirectly. For example, this report acknowledges the input of the artisanal and small-scale mining that they would make to assist in the transformation process of this sector.

The IIED report (2016) provides a platform to its stakeholders for the purpose of sharing knowledge and forging strategic partnerships to get all stakeholders represented, take ownership of programmes and projects taking place locally, encouraging “better governance, greater voice and secure and productive employment across the mining sector and complementary rural livelihoods”. Those stakeholders are given an opportunity in those platforms to influence policies and provide solutions where there are challenges.

When stakeholders lack knowledge about the organisation and how it assists them that often stalls progress, as the locals feel that their needs are not prioritised. Therefore, formal dialogues are held continuously. For example, the IIED has the following specific approach to deal with the formal dialogues: (1) Create consensus on a new agenda for change, which is done through increasing collaboration, trust and communication between stakeholders; (2) Bring unheard voices to the debate, which is done through improving information and knowledge sharing, (3) Drive leadership, enthusiasm and confidence, which is done through strengthening the voice of marginalised actors in decision-making (IIED Report, 2016:4).

On the other hand, while Moffat and McLean (2010) understand the significance of getting other stakeholders to air their views in the process or post-merger, they state that consultative engagements are outdated and they recommend the use of social networking technologies to allow inclusive and constructive debates. Moffat and McLean (2010:535) suggest that social networking technologies enable “generative dialogue and conversation in the midst of rumour, speculation and prolonged uncertainty”.

Having identified “ambiguity and uncertainty” as dampening the spirit of the merger, Moffat and McLean (2010) suggest that these two elements could be positively used as a breakthrough for the new cultural patterns. In the context of culture formation mentioned earlier, for example, Moffat and McLean (2010), having noted the “shared understanding” as an essential facet of culture, posit that the objective of forming prospects dialogues, social exchange and in-depth understanding, informs the approach to cultural formation. Formal dialogues are much needed and hence the suggestion

that they can take place through adopting the exciting new ways and platforms of communicating other than consultative exercises (Moffat and McLean, 2010).

2) Informal dialogues

Informal dialogues contribute to communication. Informal interactions refer to building mutual relations with others through having everyday conversations (Sveningsson and Alvesson, 2003). Fay (2011) suggests that informal communication in work settings is defined as “voluntary talk that does not have to be solely work or task focused”. The informal interactions that managers as leaders engage in with their employees create a sense of satisfaction, security and confirmation (Sveningsson and Alvesson, 2003). Generally, employees appreciate being listened to and engage in informal conversations with their leaders as that makes them feel valued, respected, special and part of the collective (Sveningsson and Alvesson, 2003; Thomson, 2010). Sveningsson and Alvesson (2003) posit that there is a positive effect that goes with listening to the employees and interacting with them informally. Moreover, Fay (2011) posits that informal interactions tend to be more precise and truthful than those in formal communication channels. Generally, employees with informal communication have been endowed with greater “cognitive authority,” since employees are more likely to trust informal sources more than formal ones (Fay, 2011). Interpersonal relationships are formed through informal interactions between and amongst employees in the work environment. According to Fay (2011:214), “communication helps employees create what they observe about their environment and shapes how they evaluate it”. Moffat and McLean (2010) argue that the interactions may not necessarily be face-to-face and suggest that virtual interactions may be created through web-based technology where employees can contribute and voice their views. They further suggest the following methods of informal interactions: conversational discussions, the use of social pictures, and the use of long range interpersonal communication technology. These types of interactions have helped individuals to adapt to the assortment of emotions emerging from the multifaceted nature and vulnerability that goes with a merger process (Moffat and McLean, 2010).

Fay (2011:214) outlines some of the gains of informal interactions in the work environment as, (1) informal communication at work has been linked with a number of important individual and organisational outcomes; (2) informal communication networks help make up for weaknesses in formal communication; (3) it improves decision making and encourages innovation; small talk helps structure social interaction, reduce uncertainty, and bring about social cohesion; (4) informal communication has been shown to serve direct and buffering effects against organisational stress; (5) bonding; (6) managing impressions; (7) influences turnover beliefs and behaviours and clarifies and reinforces underlying values, which facilitates problem solving (Fay, 2011:214).

3) Trust and communication

Leaders should focus on building trust and this can be done, amongst others, through communication, formal and informal engagements. Carmeli, *et al.* (2011) refer to trust as a core relational construct paradigm, whereby an individual allows themselves to be in a vulnerable position, with the hope or expectation that a positive response will be received that is receptive to that individual. Furthermore Carmeli, *et al.* (2011:35) argue that when trust exists, employees tend to feel like having some kind of a safety net in terms of voicing their ideas without fear of being judged or victimised. To a certain extent, employees voluntarily take ownership of their mistakes and challenges and are willing to discuss them openly. Trust, being a mental state, becomes key in a work environment as it determines and enhances work behaviours and outcomes. The encouragement of genuine actions by relational leaders, nurture trust and reliability between and amongst one another, prompt the willingness to be vulnerable (Carmeli, *et al.* 2011).

Dovey (2009: 313) states that, “trust is a social capital resource – a resource that is entrenched in relationships between people”. He further posits that trust is a sensitive matter that takes time to be formed but can be broken quickly by a number of things, including but not limited to non-adherence to what one has committed to do, or being unpredictable and inconsistent, or being selfish and be self-centred (Dovey, 2009). At an organisational level, “abstract trust” earned over time, through management behaviours, consistency, incentive systems, promotions schemes, is noticeable by individuals. By so doing, some leaders elevate the concept of trust, from the level of “individual-specific relationships” to that of an organisational cultural standard and how things are done in a particular organisation (Dovey, 2009).

Referring to an example of Whole Foods, Gelfand, *et al.* (2018) state that Whole Foods with its “loose” culture involved employees in decision making, giving them space to be creative and innovating. Leadership often had face-face engagements with internal and external customers, as well as vendors. This resulted in forming trust relationship between employees and their leaders. Furthermore, those regular interactions with employees made them feel respected and valued, while simultaneously encouraging room for staff to learn from one another and grow themselves. Cameron and Quinn (2006) refer to those regular interactions as shaping an “adhocracy culture”. Hence it is believed that leaders who show trust in others encourage employees to take full responsibility for their mistakes. Thus, developing trust within and in-between organisations needs a broader interpersonal vigilance, openness, commitment and respect. These are the traits that seem to be difficult for many organisations to successfully manage or even tolerate (Dovey, 2009).

Therefore, during post-merger integration, leaders should build trust and constantly communicate what is going on in the organisation and what will happen going forward. Leaders have to be honest and ensure open communication at all times without distorting information. Factual information communicated to the employees and regular interpersonal interactions contribute to trust building.

2.5.3 How leaders shape culture

To reassert, Hogan and Coote (2014) define organisational culture as values and beliefs that give standards of expected behaviours that employees may adopt. Bass and Avolio (1993) state that the organisational culture is reinforced by the organisational leadership, and in turn the culture of an organisation may also influence the leadership style. This study explored two leadership approaches, namely strategic and relational leadership. Both strategic and relational leaders have their own way of shaping the culture of an organisation.

Literature suggests that strategic and relational leadership can both shape the culture of an organisation, but do so in complementary ways. Relational leadership focuses on the interpersonal interaction (Uhl-Bien, 2006), as opposed to the entity-level influence of strategic leadership (Ireland and Hitt, 2005). However, Schein (2010) suggests that there are various mechanisms that leaders adopt to shape the organisational culture.

Schein (2010) argues that there are key messages essential to communicate when creating organisational culture. He further outlines 12 visible artefacts that leaders use to shape culture. These mechanisms are divided into six primary embedding mechanisms that serve as culture creators and six secondary articulation and reinforcing mechanisms that support the primary mechanisms used to create culture. The six primary embedding mechanisms that Schein (2010) identified are: (1) what leaders pay attention to, measure and control on a regular basis; (2) how leaders react to critical incidents and organisational crises; (3) how leaders allocate resources; (4) deliberate role modelling, teaching and coaching; (5) how leaders allocate rewards and status; and (6) how leaders recruit, select, promote and excommunicate. On the other hand, Schein (2010) identified secondary articulation and reinforcement mechanisms which include: (1) organisational structure and design; (2) organisational systems and procedures; (3) rites and rituals of the organisation; (4) design of physical space, facades and buildings; (5) stories about important events and people; and (6) formal statements of organisational philosophy, charters and creeds (Schein, 2010:236).

All secondary articulation and reinforcement mechanisms could potentially support and reinforce the primary mechanisms. The interest is to explore whether secondary mechanisms play any role in supporting primary mechanisms, and if so, how. This study focused on two levels of organisational culture, namely artefacts and values (Schein, 2010).

2.6 PRIMARY EMBEDDING MECHANISMS

Given the limited scope of this study, it was not feasible to explore all of the above-mentioned mechanisms, and preference was given to issues relating to problems of “internal integration” (Schein, 1996) during the merger. Hence the following three primary embedding mechanisms were selected: What leaders pay attention to, measure and control on a regular basis; how leaders react to critical incidents and organisational crises; and how leaders allocate resources. Each of these is discussed next.

2.6.1 What leaders pay attention to, measure and control on a regular basis

The aspects that leaders pay attention to, measure and control in a post-merger integration are to ensure that the organisation is successfully integrated. This mechanism was selected to determine the messages that leaders pay attention to and to examine the kind of messages communicated by leaders to their followers, as the communicated messages and leadership behaviour should be consistent (Schein, 2010). This mechanism could be reinforced by a number of different secondary mechanisms such as, the stories that leaders tell, which can help to show what they are emphasising.

Schein (2010) provides an example of the Alpha Power Chief Executive Officer, Paul McNeill, who would consistently and repeatedly communicate a message in relation to the importance of safety in their work environment. In every meeting held, this was the message that would be communicated in a consistent manner and on the top of the agenda. From that, employees adopted what he was doing and started to emphasise and prioritise safety issues by ensuring that things were done as required and as expected by their leaders.

Schein (2010) further refers to “visible emotional reaction” – the emotional state of the leader at the time of communicating the message has a lot to do with how the message is received by followers, especially if leaders feel that their values are infringed. In this instance, Schein (2010) makes an example of Ken Olsen, the owner of a certain company, who believed that every manager should always be on top of their game at all times. He could tolerate poor performance to a certain extent but, not knowing what was going on in one’s area of operation and being unable to appraise others of what was going on, would never be tolerated. This led to Olsen reprimanding the Vice President (VP) of his company, whose product line was obviously not performing as was expected. Of concern to Olsen was the fact that the VP was not familiar with the figures presented by the chief financial officer (CFO) in his report. Olsen had to reprimand the VP for incompetence and not the CFO as the VP was obviously not aware of what was going on in his product line. Therefore, when leaders show strong emotional reaction, employees are most likely to take the message seriously and pay attention to what has gone wrong that has led to the emphasis by the leader (Schein, 2010).

Four propositions can be made based on the discussion in the above paragraphs of this section. These include the following: (1) Formal dialogues between leaders and employees demonstrate

what the leader pays attention to, measures and controls, which then clarifies what the employees are accountable for; (2) What the leader pays attention to, measures and controls during regular informal interactions between leaders and followers, contributes to strong mutual relationships between them, which promotes ownership and accountability amongst employees for their actions; (3) A leaders creates a vision and sense of purpose for the organisation, through what he pays attention to, measures and controls, thereby clarifying for employees what they are required to do; (4) Leaders who pay attention to developing the organisational core competence and allocates resources to it, instil confidence in their employees with regards to carrying out their own responsibilities.

2.6.2 How leaders react to critical incidents and organisational crisis

Given that the merger itself is a critical incident and results in serious after effects, it becomes crucial to understand how critical incidents of the two entities coming together are dealt with. Schein (2010:243) describes a crisis as that which is “perceived to be a crisis and what is defined as a crisis by founders and leaders”. Given that organisations go through the merger, how leaders handle critical incidents and organisational crises is a relevant focus. This mechanism reveals emotions that are elevated during critical incidents faced by the organisation, which have a direct impact on the shaping of the culture (Schein, 2010).

The application of this mechanism by leaders also gives rise to new values and working procedures in that crises automatically lead to anxiety, and how that emotional involvement is controlled plays a role in culture formation. Schein (2010) relates a story of how Tom Watson, Jr., the owner of a certain company, handled a case of a young professional who made a bad business decision that cost the company millions of dollars. Instead of firing the young executive, he acted in a manner that revealed the value he places on people, through building their capacity and equipping them with skills. In addition to that, the organisation had invested in the young executive’s development and Tom Watson, Jr. tended to be supportive of the young executive instead of being harsh with him.

Members of the organisation are able to recall these critical incidents in relation to their leader’s emotions and the behaviour that they observe in response to the incidents (Schein, 1996). Employees mirror their leader’s behaviour, as they believe that it is the correct way to behave (Schein, 1996). They are constantly aware of, and observe the things their leaders say and do (Schein, 1996). Contrary to that, other leaders become intolerant and fire employees under a crisis condition. However, in some instances the same leaders would be somehow forced to re-employ them when they realise that their decisions have a direct effect on the operations of the organisation. This cultivates distrust and low commitment, and hence when employees find opportunities elsewhere, they would not hesitate to leave the organisation (Schein, 2010).

Handling critical incidents marks significant changes and decisions that are made in the organisation. How leaders handle critical incidents therefore shapes the culture. Another proposition, can be made based on the discussion in this section. The proposition referred to is; Leaders who behave consistently when handling critical incidents and organisational crises, are trusted by followers, who then act responsibly and take full responsibility for their actions, and even their mistakes.

2.6.3 How leaders allocate resources

In the post-integration period, it becomes crucial to understand how resources are allocated and what is done with the resources. According to Okumus (2003:877), resource allocation is defined as “the process of ensuring that all necessary time, financial resources, skills and knowledge are made available”. He cites the issue of political and cultural issues within the organisation and their possible impact on resource allocation. In the case of the merger, this may include the issue of whether the majority of the leadership at the helm of the newly formed organisation are from one of the merged institutions, in which case they would more likely adopt a similar pattern to the practices of the organisation they were employed in before the merger. This may include the influence that Schein (2010) provides an example of: leaders who are risk and debt averse, would most likely circumvent decisions that would require major borrowings and reject plans that support borrowings.

This third mechanism is also concerned about key departments that receive the major part of the organisational resources and the reason behind that allocation. This involves exploring specific line items to determine where the largest portion of the budget is allocated. How resources are allocated in the organisation in post-merger integration shapes the culture. A further proposition, can be made based on the discussion in this section. This proposition is; leaders who develop human capital through the allocation of additional resources, thereby instilling confidence in employees who are willing and able to realise or take up their responsibilities.

2.7 SECONDARY ARTICULATION AND REINFORCEMENT MECHANISMS

2.7.1 Organisational design and structure

Okumus (2003: 876) states that organisational structure refers to “the shape, division of labor, job duties and responsibilities, the distribution of power and decision - making procedures within the company”. Okumus (2003) argues that the interaction and correlation between organisational structure, people, culture, and managerial process, becomes the enabler of strategy execution. The aim of exploring this mechanism in particular, is to explore whether the structure and design were inclined to one of the two original institutions, or a new structure and design emerged after the merger (Schein, 2010).

In a post-merger era a leader has to make decisions on how to integrate the two organisations into one. There will be design considerations of what incidents might arise that need to be dealt with that would create the design. The organisational design and structure are likely to be linked to the primary mechanism of what leaders pay attention to.

2.7.2 Organisational systems and procedures

Systems and procedures often provide guidance and clarify any misinterpretation in an organisation (Schein, 2010). This in turn contributes to culture formation as this reinforcement mechanism provides consistency in the existing culture and strengthens the message that leaders communicate (Schein, 2010). Leaders tighten up systems and procedures in order to counter critical incidents that could happen. Systems and procedures are likely to be linked to resource allocation, as a primary embedding mechanism.

2.7.3 Rites and rituals of the organisation

Rites and rituals are one of the artefacts used to reinforce key cultural assumptions. They have to be done in a consistent manner as it is from this mechanism that employees learn to trust each other and develop a way of working together, even in formal settings. This mechanism formalises some assumptions in an organisation and enhances teamwork. Leaders use this mechanism to communicate messages informally and staff are able to interact freely with their leaders, knowing that they have their back (Schein, 2010).

2.7.4 Stories about important events and people

Due to the fact that there are many relational leadership roles, engaging in dialogues and formal communication, the possible effects of storytelling cannot be ignored. This is the mechanism that enables leaders to fulfil these roles and reinforces what leaders pay attention to (Schein, 2010). When leaders communicate their messages through storytelling, this artefact becomes very relevant when employees understand the underlying organisational culture. Therefore stories are of the ways in which leaders can show what they are paying attention to, and start telling stories that become a supporting mechanism (Schein, 2010).

2.7.5 Formal statements of organisational philosophy, creeds, and charters

This is an articulation and reinforcing mechanism that leaders use to communicate vision, mission and assumptions or values of the organisation. Leaders use formal statements to communicate messages about what they pay attention to and what the organisation is all about (Schein, 2010). The statements may not, however, be used as a way of defining the organisational culture but to publicise the organisational focus, as well communicate espoused values that everyone in the organisations is expected to abide by (Schein, 2010). Therefore, statements could reinforce what leaders pay attention to and how critical incidents are handled. To summarise the above discussion

is the table below illustrating the linkages between strategic leadership and relational leadership roles.

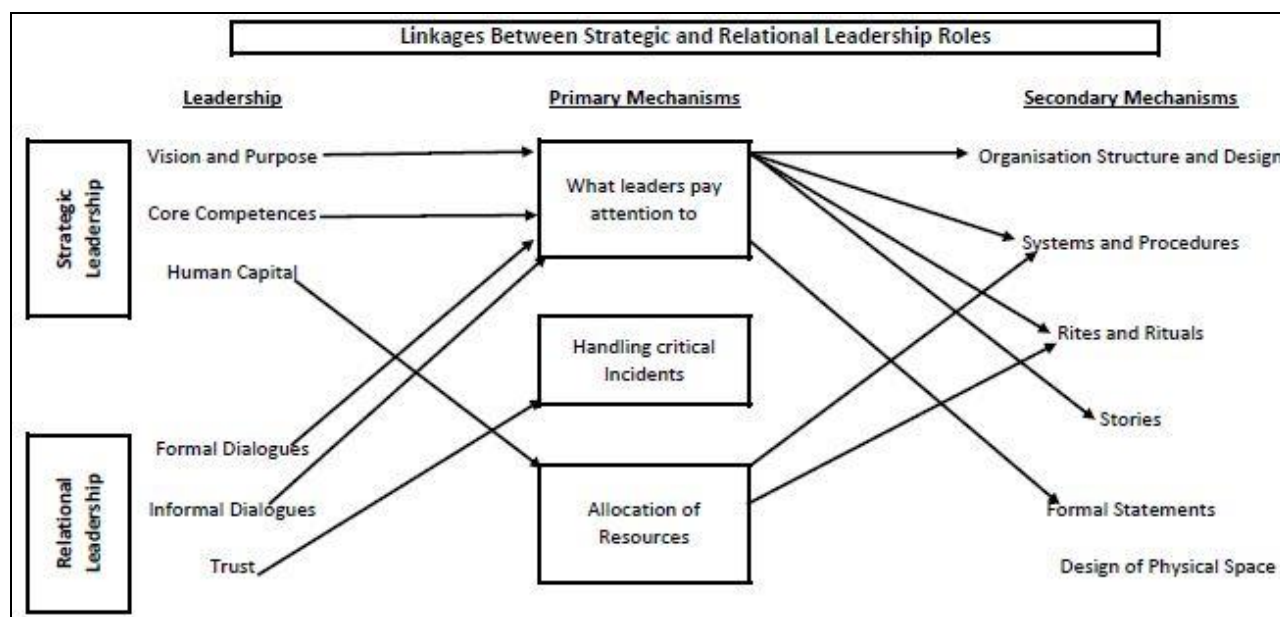
Table 2.1: Linkages between strategic leadership and relational leadership roles

Strategic Leadership	Primary Mechanisms	Secondary Mechanisms
Develop human capital	Resource allocation required	Organisational systems and procedures
Create vision and purpose	What leaders pay attention to, measure and control	Formal statements Organisational structure and design Stories Organisational systems and procedures
Core competences	What leaders pay attention to, measure and control Resource allocation required	Organisational structure and design Organisational systems and procedures
Relational Leadership		
Formal dialogues	What leaders pay attention to, measure and control	Organisational structure and design Systems and procedures
Informal dialogues	What leaders pay attention to, measure and control	Rites and rituals

Trust	Handling critical incidents	
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Source: Author's construction

Figure 2.1: Linkages between strategic and relational leadership roles



Source: Author's construction

2.8 CHAPTER SUMMARY

This chapter has discussed various issues surrounding mergers and acquisitions, with specific focus on post-merger integration and the critical issues that needs to be considered during that phase. The chapter also dealt with leadership, different types of leadership and the role of leadership during post-merger integration, including the impact on culture, employees and the organisation itself.

As stated, the study's main focus was on issues relating to problems of "internal integration" during the merger and based on that, three primary embedding mechanisms were selected. Each of these was discussed and based on those discussions, various propositions emerged. These propositions are listed in Table 2.2 below:

Table 2.2: Propositions for the research study

PROPOSITIONS FOR RESEARCH STUDY
P1 Formal dialogues between leader and employees demonstrate what the leader pays attention to, measures and controls, which then clarifies what the employees are accountable for.
P2 What the leader pays attention to, measures and controls during regular informal interactions between a leader and followers, contributes to strong mutual relationships between them, which promotes ownership and accountability amongst employees for their actions.
P3 A leader who behaves consistently when handling critical incidents and organisational crises, are trusted by followers, who then act responsibly and take full responsibility for their actions, and even their mistakes.
P4 A leader creates a vision and sense of purpose for the organisation, through what he or she pays attention to, measures and controls thereby clarifying for employees what they are required to do.
P5 A leader who pays attention to developing the organisational core competence and allocates resources to it, instils confidence in his employees with regards to carrying out their own responsibilities.
P6 A leader who develops human capital through the allocation of additional resources, thereby instilling confidence in employees who are willing and able to realise or take up their responsibilities.

Source: Author's construction

CHAPTER 3: RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter describes the qualitative methodology that was used to gather data. It outlines the research design and also describes the research paradigm. The chapter further describes the data collection methods, quality standards and how ethical compliance was achieved. The coding manual informed by the theoretical framework were developed for the purposes of thematic analysis.

3.2 RESEARCH DESIGN

Yin (1994) proclaims that research design is a rational structure that gives logic and connects the empirical data to the objectives of the study and the study's initial research question and ultimately, to its conclusions. Generally, a research design is an action plan mapping a way forward, where there may be identified research questions that need to be clarified in order to arrive at some form of conclusions about the said research questions (Yin, 1994).

The research study adopted a post-positivist paradigm (Guba & Lincoln, 1994). An explanatory case study approach was used together with a qualitative research methodology, where the investigation of individuals and processes apply (Creswell, 2009; Ritchie and Lewis, 2003), over which the researcher had no control (Babbie, *et al.* 2007:80, 282). According to Hlady-Rispal and Jouison-Laffitte (2014:594), qualitative methods are used to "describe, decode, and advance the understanding of intertwined past, present, or future eclectic data (i.e., facts, activities, actors 'actions, decisions, or representations)". These data may be in the form of facts, activities, behaviours and resolutions taken (Hlady-Rispal and Jouison-Laffitte, 2014). In this case, a cultural phenomenon during merger and post-merger integration of the organisational entities was explored.

One of the purposes of the qualitative approach to research is to understand the human actions it studies within the context of the substantial conditions influencing their actions. It further seeks to understand the social and cultural context supporting or perpetuating the behaviour that employees exhibit generally (Leedy & Ormrod, 2014; Walliman, 2009; Maree, 2007; Johnson & Christensen, 2012). Furthermore, in qualitative research, the views of the interviewees towards the construction of reality are crucial, given that this type of research prioritises the way in which individuals and teams understand and interpret their own experiences and the world they come from, as well as the understanding between the researcher and the participants (Maree, 2007; Walliman, 2009; Johnson & Christensen, 2012). Therefore, most researchers are of the view that qualitative research focuses on the understanding of social and cultural contexts as well as the demonstrated human behaviour (Maree, 2007; Walliman, 2009). This made the qualitative research approach more relevant to this study, as the study focused on how leaders shaped the culture of an organisation that emerged as

an organisation from a merger. The qualitative approach's relevance was also strengthened by the fact that the study involved the leaders' behaviours, actions or inactions as well as the type of leadership exercised to form a new organisational culture. This automatically took into account the identification and description of relevant facts (Ercikan & Roth, 2009; Litchman, 2013).

3.3 RESEARCH METHOD – CASE STUDY

This study adopted a case study approach and is therefore a qualitative study (Creswell, 2009). The case study mainly provides a deeper understanding of the research question through its in-depth examination (Babbie, et al. 2007; Baxter and Jack, 2008; Jooste and Fourie, 2009). The reason for considering a qualitative case study research method was because it enables responding to 'how' and 'why' questions (Baxter and Jack, 2008:545).

Explanatory, exploratory, or descriptive case studies are the three types of case studies identified (Yin, 2003), in Baxter and Jack (2008:547), while Stake (1995, in Zainal, 2007) categorised case studies as instrumental, intrinsic and collective. In this case, an explanatory case study design was adopted in order to describe a natural phenomenon that appears in the data collected.

3.4 DATA COLLECTION TECHNIQUES

Senior leadership from the two entities that merged, employees (from the two entities that merged), and new employees from different levels that and who were not part of the merger, were interviewed. Semi-structured interviews were conducted along with document analysis (i.e. of policies, plans, meetings and other correspondence).

The researcher contrasted employees and management by soliciting the employees' perspective as to how the leader exercised leadership. During the interview process, the researcher asked about the type of culture that was in place in relation to what existed in the two institutions before the merger; how the current leadership led its employees; if relational and strategic leadership approaches were used and if so, how these approaches affected the culture.

Dilley (2004) and Merriam (2009) both accentuate the significance of conducting interviews in a qualitative research study, stating that interviews are for gathering information for case studies, oral or life histories. As it is, interviews were conducted and the study adopted a case study approach. Seidman (1998, cited in Dilley, 2004:128) described "interviewing" as a process that "provides access to the context of people's behaviour and thereby provides a way for researchers to understand the meaning of that behaviour". DeMarrais (2004:55 cited in Merriam, 2009) describes interviews as "a process in which a researcher and participant engage in a conversation focused on questions related to a research study". In this study, the researcher engaged in face-to-face interviews, whereby the researcher elicited information from the participants (Merriam, 2009).

Purposive sampling was used, targeting knowledgeable individuals who were being led, as well as those that exercised leadership in the organisation (De Vos, *et al.* 2011). The entity had already identified the participants as employees who were key in the post-merger integration. A sample size of nine employees was selected, as the study looked at different levels of leadership and also employees. The research participants were the new and old employees, new and old executives, as well as the leader of the organisation. Organisational documents that relate to mergers, strategic documents and annual reports were studied. The researcher had no relationship with the participants, nor was she employed or doing work on behalf of this organisation.

3.5 DATA ANALYSIS

Merriam (2009:175) defines data analysis as “the process of making sense out of the data”. This is more of an interpretation of the collected raw data and what has been said and observed during the collection of data (Merriam, 2009). For the purpose of this study, the analysis focused on whether the current leadership used either relational or strategic leadership to shape the culture of the new organisation, and if so, how. That would determine whether leaders used values or artefacts or human-centred approaches during and after the merger to shape the culture of the new organisation. A deductive thematic analysis of the data was used for the purpose of identifying, analysing and reporting patterns (themes) within the data received (Braun & Clarke, 2008; Lipu, Williamson & Lloyd, 2007). It is through the use of thematic analysis that behavioural patterns from the data collected were noted (Aronson, 1995).

The data that was gathered through face-to-face interviews, as well as relevant documents that pertain to the themes of the study was analysed. These data were analysed from the organisational documents, researcher’s written notes that were captured during interviews and audio recording was used to obtain specific quotations articulated by interviewees. The researcher sought patterns and analysed the body of knowledge at her disposal. This included identification of themes and matching common themes found in the data (Merriam, 2009). Pearse (2019) identified the seven steps to be followed in carrying out deductive thematic analysis, which were adopted in this study.

3.6 VALIDITY AND RELIABILITY

In the context of qualitative research, both validity and reliability are the key facets. Ritchie and Lewis (2003:270) state that both validity and reliability “help to define the strength of the data”. In addition to that, Morse (2002) and Anney (2014) assert that these key facets are both integral in the research question. Validity means “appropriateness of the tools, processes, and data” (Leung, 2015:325). Tools, processes and data mainly refer to the appropriateness of the methodology used, meeting desired research objectives, research design, sampling and analysis of data, as well as assessing the validity of results and conclusion of the study (Leung, 2015). Ritchie and Lewis (2003) posit that

validity simply means “well grounded”. Validity in the research context and process is not a once off step, it has to be conducted throughout the research process through ensuring the accuracy of the findings from the research interviews (Creswell, 2009). This can be done through comparison of individual responses received from interviewees (Creswell, 2009).

Kumar (2014) and Leung (2015) describe reliability as dependability, from a qualitative research point of view. Silverman (2009 cited in Leung, 2015:326) asserts that there are various ways to enrich the dependability of the process and results, naming the following: (1) refutational analysis, (2) constant data comparison, (3) comprehensive data use, (4) inclusive of the deviant case, and (5) use of tables. This is addressed in Chapter 4 of the study. To an extent, *constant data comparison* as well as *tables* may be used when analysing responses received, particularly from the employees that were interviewed to assess consistency of the information and understanding of the organisational process as a whole. The study performed some comparison around the culture that existed previously in the organisations that merged and the current culture of the new organisation. This would be possible particularly if the leader of the new organisation happens was from one of the institutions that merged. The researcher did, in the process, authenticate the accuracy of the data extricated from the employees of the merged organisation, some of whom happened to be from the legacy institutions that merged to form the institution (Leung, 2015).

Leung (2015:326) posits that “the scope and analysis of data included should be as comprehensive and inclusive with reference to quantitative aspects if possible”.

3.7 ETHICAL COMPLIANCE

The research proposal was approved by the Rhodes University’s Faculty of Commerce: Higher Degrees Committee. An ethics application for human subjects was completed and submitted to the Rhodes Business School for consideration by the Rhodes University’s Human Research Ethic Sub-Committee in January 2019, as the study involved human subjects, and was approved by the Rhodes University Ethics Committee. Creswell (2009:88) asserts that researchers have to “anticipate and address ethical dilemmas that may arise”. Hence an ethics application was prioritised and submitted to the committee mentioned above.

In addition, the researcher obtained a formal consent from the institution on which the research was conducted. Interviewees’ *informed consent* was also received before interviews were conducted (Ritchie and Lewis, 2003). The researcher ensured that interviewees remained anonymous and their positions were not disclosed. Creswell (2009) strongly advocates for the safeguarding of research participants and upholding the integrity of the research. The participants’ personal files were not perused. The process of obtaining information from both the institution and its employees was transparent and harmless.

3.8 CHAPTER SUMMARY

In summary, this study adopted a qualitative approach that required the use of key facets, such as validating the findings of the research throughout the study for the purpose of ensuring quality and accuracy of the findings. This included dependability of the study through ensuring that the information and analysis of data was not contaminated nor distorted. These facets existed to promote the credibility of the research report. Data was collected through interviews conducted and analysis of relevant documents, while simultaneously ensuring anonymity of research participants and organisation. Hence it is crucial to establish a rapport with the participants and be friendly in order for them to develop a certain level of trust – interviewer and interviewee relationship. This involved the issue of ethical compliance, adhering to ethical conduct and remaining professional at all times.

CHAPTER 4: RESEARCH FINDINGS AND DISCUSSION

4.1 INTRODUCTION

The aim of this chapter is to present and discuss the findings of the study which were gathered through a qualitative method by means of interviews. Findings are presented in line with the propositions and objectives of the study. The focus of this study was on how a leader shaped the culture of an organisation during a post-merger integration.

To reiterate, the objectives of the study were as follows:

- To describe “Accountability” – the identified current cultural value;
- To analyse how strategic and relational leadership roles were exercised to address post-merger integration challenges;
- To analyse how leaders applied selected primary mechanisms (viz. what leaders pay attention to, measure and control regularly; how leaders handle critical incidents and organisational crises; how leaders allocate resources) to shape organisational culture;
- To analyse how strategic and/or relational leadership complemented each other in a) addressing the challenges of post-merger integration and b) shaping a culture of accountability;
- To describe how some of the secondary articulation and reinforcing mechanisms supported the culture that was created through primary mechanisms.

4.2 THE CASE STUDY

THE MERGED ORGANISATION

This case study was conducted in a government organisation that was formed after two entities were merged in 2010. The interim board that was appointed when the process of the merger started in 2010, crafted a new strategy, since they had been given a new mandate by the government department.

In 2010, the interim board was installed and the interim leader was appointed. Staff were introduced to various change management initiatives that focused on preparing them for the journey of the merger that they were embarking on, and were also encouraged to embrace change and work as a team.

Before the merger and post-merger, most employees were anxious due to rising uncertainties mainly brought by the fear of the unknown, the uncertain environment that employees found themselves in, and also the notion of change itself. Some were not sure of what would happen to them as their positions seemed to be redundant. Some positions were affected as they were downgraded, which was interpreted as demotion by most, while other positions were upgraded which was interpreted as

promotion. The leader introduced a number of change initiatives in order to deal with the effects of the merger. Those change initiatives are not explored at length here, as the focus of the study was delimited to the merger and did not include the more extensive change management process.

4.2.1 The leader

The current leader joined this organisation in December 2011 and was appointed as one of the executives. The role that this leader played was a new role at this organisation. He was not involved in the leadership of the past organisations that merged, he only joined the organisation during the merger process. The current leader said that, *“part of what the interim board brief was to fill the executive positions and deal with structural issues of the organisation. I was one of the first executives in that new entity at the time”*.

There was an interim leader at the time whose contract started in 2010 and came to an end in 2012. The interim board appointed a permanent leader from 2012 to 2014. The current leader applied for the leadership position when was advertised in 2014. Currently, this organisation is led by the same leader who was appointed in August 2014. When he took up this leadership position, he was familiar with the processes and procedures of this organisation and understood the strategic intent of this organisation.

Table 4.1 below shows how the leader described himself as a relational and strategic leader and how other employees described him. Thereafter elements of both strategic and relational leadership were identified and there were situations where they were used in combination.

Table 4.1: Descriptions of leader as a relational and strategic leader

LEADER’S LEADERSHIP CHARACTERISTICS		
LEADER’S DESCRIPTION	DESCRIPTION BY EXECUTIVES	DESCRIPTION BY STAFF
RELATIONAL LEADERSHIP		
Empathic – “understanding what other employees go through and what could have informed the kind of decisions they make in particular instances”.		
Accessible – “employees feel free to engage with the		Accessible- “the leader is seen in the office corridors

leader and is approached by employees at all levels”.		and has scheduled sessions to interact with staff”
		Motivational – “to an extent that he shares with staff books that he has finished reading and also likes citing quotations from the books. That warms the heart of the staff and feel encouraged to do more”.
		Participatory – get employees informed and allow them space to play a role in the organisational matters
STRATEGIC LEADERSHIP		
		Forward thinker – “determining the strategic direction of an organisation”.
		Consultative – “get the buy-in of staff and not authoritative”
		Results-driven – “perform and meet targets set for you and address issues of compliance so as to achieve clean audit”.
	The leader demonstrates qualities of transformational leadership (through his	

	idolised influence, stimulating thinking amongst staff)	
	Value based - "the leader abides by the organisational values and is exemplary as we all learn from him"	Value based – "it becomes the order of the day to respect one another, to always observe our actions so we maintain moral principles and take full responsibility for our actions as that is often demonstrated by our leaders"
COMBINATION OF BOTH LEADERSHIP CHARACTERISTICS		
	The leader demonstrates a combination of relational leadership (through informal and formal interactions with staff) qualities and strategic leadership quality (through clear articulation of organisation's vision and purpose, ensuring systems and procedures are in place)	A combination of both strategic (he is clear in terms of what he wants the organisation to do and builds systems around his leadership; strategic in his decision making process; sees bigger picture and persuades employees into seeing it that way); and relational leadership

*Grey shaded areas were left blank because there was no description of a leadership characteristic provided.

4.3 ORGANISATIONAL VALUES

The table below is the representation of the values of this organisation, in comparison with other values that drove the merged organisations. Reference based on documents obtained from the organisation, from

Table 4.2: Values before and after the merger

ORGANISATION 1 VALUES	ORGANISATION 2 VALUES	MERGED ORGANISATION
<p>Accountability</p> <p>“Act honourably and take ownership of our actions and the outcomes thereof”.</p>	<p>Accountability</p> <p>“Act honourably and take ownership of our actions and the outcomes thereof”.</p>	<p>Responsibility</p> <p>“We will be honourable, trustworthy and answerable for all our actions”.</p>
<p>Integrity</p> <p>“Work ethically, honestly and transparently”.</p>	<p>Integrity</p> <p>“Work ethically, honestly and transparently”.</p>	<p>Integrity</p> <p>“We will conduct our business based on sound moral principles”.</p>
<p>Excellence</p> <p>“Provide the best possible service”.</p>	<p>Service Excellence</p> <p>“Provide the best possible service”.</p>	
		<p>Respect</p> <p>“We appreciate and value one another, our stakeholders, our communities and our shareholder”.</p>
<p>Partnership</p> <p>“Build and sustain constructive and mutually beneficial partnerships with clear goals and objectives”.</p>		
	<p>Consultation</p> <p>“Create an enabling environment for community</p>	

	and stakeholder participation”.	
	Innovative “Incremental, radical and revolutionary changes in thinking, product, processes, or organisation”.	
Sustainability “Pursue sustainable management of resources through application of good governance principles”.		
Learning “Support continued learning for the growth of individuals for the benefit of the organisation”.		

Source: Organisation’s annual reports

In comparison to the old organisations values, the number of values identified for the newly merged government organisation was reduced to three specific values. These values were crafted in the strategic planning session that was conducted. It was evident that the two first values (integrity and accountability) were similar to the other entities espoused values. The newly formed organisation came up with “respect” as the value that resonates with them, which was not identified by the historical government entities that merged. The leader ensured that the meaning of each value was explained so that everyone in the organisation could have the same meaning and interpretation.

4.3.1 Description of accountability – the identified current cultural value

The first objective of the study was to describe “Accountability” – the identified current cultural value. The words responsibility and accountability as the value of this organisation are used interchangeably in this study. Responsibility was one of the core values of the organisation and the leader said that,

when the organisation is transitioning from merger and getting into the new organisation, there is always an expectation that employees must respect the leader and you want ethical leadership in so far as integrity in others. One of the missing ingredients in such issues is when the individual within the organisation must take responsibility and be accountable for their actions.

Coming up with the value called responsibility was mainly for the purpose of fostering ownership of one's contribution as an individual to the organisation, and for everyone in the organisation to be *trustworthy* and accountable for their actions. According to the leader, when the value of responsibility arose, the organisation intended to bridge the gap between the expectations of some employees and what was to become their individual contribution or the role they played in the organisation.

Moreover, the organisation conducted a staff satisfaction survey annually, sending a questionnaire with key themes, one of which covered the current values. The new and the old employees revealed that organisational leaders demonstrate all the values, hence many employees found it difficult to separate responsibility from respect and integrity. The new and old employees, the old and new executives as well as the leader had a clear understanding of responsibility as an organisational value, and what it meant to all of them as employees of this organisation. They understood what this value was all about, as it was always to ensure that each individual took full responsibility for their actions and needed to be *trustworthy as well as answerable*.

Both the old and the new employees stated that organisational values were communicated at the following platforms: (1) During their induction; (2) In departmental meetings and broader organisational gatherings, be it formal or informal ones; (3) When discussing Annual Operational Plans with staff; (4) They also formed part of the employment contract; (5) Published in the e-Voice.

The leader's focus was more on raising awareness on values and the importance of upholding core values, hence all participants emphasised that the leader would always set an example in his behaviour in terms of respecting his employees, acting with integrity and being responsible for his actions. On the other hand, employees perceived the leader and his executives as demonstrating responsibility when they constantly provided quarterly reports to the board of directors, after which they reported back to the Management Committee (MANCO), and extended MANCO (which included all senior managers and middle managers) and then reports would cascade down to staff.

The second objective was to analyse how strategic and relational leadership roles were exercised to address post-merger integration challenges. The third objective was to analyse how leaders applied selected primary mechanisms (viz. what leaders pay attention to, measure and control regularly; how leaders handle critical incidents and organisational crises; how leaders allocate resources) to shape organisational culture. The fourth objective was to analyse how strategic and/or

relational leadership complemented each other in a) addressing the challenges of post-merger integration and b) shaping a culture of accountability. The last objective was to describe how some of the secondary articulation and reinforcing mechanisms supported the culture that was created through primary mechanisms.

Sections 4.4 and 4.5 below comprise the exploration of the six propositions of the study in relation to the two leadership approaches. Before developing the sections below, the researcher had interviewed the selected participants, and from the data received, incidents were selected and were categorised under each proposition.

4.4 RELATIONAL LEADERSHIP

4.4.1 Formal dialogues

The first proposition was, formal dialogues between leaders and employees demonstrate what the leader pays attention to, measures and controls, which then clarifies what the employees are accountable for.

The leader joined the organisation just after the two entities had merged. One of the key issues that he had to pay attention to was proper integration of the two entities, as they had distinct cultures. He aimed at creating a particular culture that would embrace all employees in the organisation, regardless of the institutions that they were coming from. Therefore, the leader used formal dialogues to communicate with his employees and keep them abreast of issues. He also arranged formal gatherings with all staff regularly, giving attention in these meetings to the changes that were underway in the organisation, particularly the progress being made with the integration of the two merged entities.

In the post-integration stage, the formal engagements with the leader inspired the employees to deliver as per the leader's expectations. The message that the leader consistently communicated in the formal dialogues, was mainly about performance and compliance, stating it clearly that this needed to be achieved so as to successfully carry out the organisational mandate. As a result, at the end of each year, the leader arranged a formal session with staff, where he reported on the organisation's annual performance, both financially and in terms of meeting the performance targets. By so doing, the leader demonstrated what he paid attention to, which then clarified what the employees were accountable for.

One of the employees stated that, "we are good at doing what we know and understand. We love the status quo, as doing something different may expose us". This employee made an example of clean audits and achieving set performance targets as that which the leader paid attention to, measured and controlled regularly. He stated that the leader would sometimes use formal dialogues to address the issue of performance and compliance. The employee further stated that, "as a result

of maintaining the status core and addressing the issues of compliance, we end up being comfortable to do the same thing over again so as to achieve what the leader of the organisation expected and required of us, hence I can safely describe the leader as results driven". Almost all interviewed employees concluded that excellence, performance and compliance had become the culture of this organisation.

To address the issues of both organisational performance and compliance, the leader explained to the employees the reason why proper systems and processes had been put in place, and which one of those was for standardisation purposes. The leader ensured that the Performance Management Development System (PMDS) was implemented and managed properly. One of the employees stated that, "PMDS takes precedence in this organisation. As such, performance reviews are done quarterly by all departments to ensure excellence in terms of performance". When performance was referred to, it was mainly about targets to be achieved as set out in the organisational Annual Performance Plans (APPs). The leader used these APPs to measure what he paid attention to. These APPS further clarified what the employees were expected to do, thereby clarifying what they were accountable for. When the leader addressed this issue, he would allow the employees to raise their views and to come up with ideas on how best they collectively can make things better in the organisation. This led to employees taking ownership of the organisational processes.

It was an organisational norm that the leader would engage in formal dialogues not only with employees but also with communities and other external stakeholders in the sector. This consistent behaviour often demonstrated what the leader's priorities were, which assisted employees in particular, in terms of getting clarification on what the employees were accountable for. By so doing, it helped employees to get more clarity on what was expected of them, thereby building a cultural value of responsibility. These formal dialogues were in the form of stakeholder engagement meetings held quarterly and formal extended management meetings held monthly. These structures were set up by the leader to ease communication with relevant stakeholders.

In terms of formal dialogues held in the form of stakeholder engagements, the leader adopted an inclusive approach by inviting the chief operations officer and relevant reserve managers to the formal dialogues that the leader had arranged. This was for the purpose of giving the employees a chance to get first hand issues and information from these sessions. In getting that first-hand information, it became easy for the employees to understand clearly what the community needed and what the real issues on the ground were, which then clarified what each one of the employees was accountable for, thereby building trust. Through formal dialogues, the leader was transparent and adopted an inclusive approach, thereby building trust.

Another key issue that merited the leader's attention and which he put on the agenda of these formal dialogues was the issue of prohibited poaching in the nature reserves. This clarified to both employees and community members the anti-poaching stance that he took, as well as the

consequences that anyone would face if they were implicated in such criminal acts. Furthermore, at these platforms, the leader strongly encouraged stakeholders in the communities to protect animals for the long-term sustainability of the natural environment for future generations to come. After each stakeholder engagement session, the leader would organise an extended management meeting to address the issues raised and devised a plan on how the employees would handle those issues.

The leader engaged in formal dialogues with all staff through, amongst others, extended management meetings wherein strategic issues that had to be carried forward to board meetings were discussed. The extended management meetings included discussions on risk management and strategic and departmental risks. The employees were clear about what they were accountable for, that is, managing their departmental risks and determining whether some of them had to be escalated to become strategic risks. The leader held his executives accountable for managing the strategic risks and reporting progress in the next formal engagement meeting that was held.

Employees were aware that the risks that were flagged, were to be mitigated in line with the risk management policy. Moreover, the leader paid attention to the board preparation so as to advise the board on strategic issues such as vacancies, a budget shortfall, risk exposures, and public liability cover. The board would also be advised of the progress made by the employees to mitigate those risks and of the actions that were taken to rectify what needed to be attended to. The other critical issue on which the leader formally interacted with the employees in his formal dialogues, was clarifying his stance on anti-collusion between staff members and either professional hunters or poachers, emphasising that this would never be tolerated under his leadership. He explained the consequence-management steps that would be taken to handle such incidents, should they arise.

Carmeli, et al. (2011) identify promoting dialogue in a safe work environment, and which recognised the views of others, as one of the relational leadership behaviours that should be applied in the context of a merger. In this case, the leader did engage with his employees through regular, formal dialogues that he would arrange. Findings revealed that by holding formal dialogues, it became evident to employees what the leader was paying attention to, which then clarified what the employees were accountable for. In this case, the leader would regularly organise and drive the formal dialogues where he demonstrated what he paid attention to, for example in the early stages of the merger, the leader gave much attention to the post-integration of the two entities, and that eventually led to a successful merger. In this way, he managed to refashion the cultures of the two entities they had prior to the merger so as to have one culture, by paying attention to certain critical challenges and addressed them, thereby shaping culture of the new entities.

The leader had a clear message that was consistently communicated in formal dialogues. For example, one of the key messages was that of excellence, performance and compliance. This contributed to the culture of accountability as employees were clear of what they were accountable for (Pearson and Sutherland, 2017). This is something that is consistent with what Schein (2010)

has identified as a primary mechanism. Moreover, formal communication was designed as a platform for dialogue, for employees to engage with the leader and voice their opinions and perspectives. They could therefore feel comfortable to contribute their ideas towards the betterment of the organisation, which was beneficial for the organisation. Hence employees felt that they were listened to, which led to the employees taking ownership and being accountable for their actions.

Furthermore, structures were created that reinforced what the leader paid attention to in a way that promoted ownership as well as accountability, particularly the stakeholder engagement forum and the extended management meetings. These platforms encouraged and promoted sense of ownership and employees being responsible for their actions. One of the interesting findings was that these formal dialogues built trust between the leader and his employees as the leader was perceived as transparent through his inclusive approach. His aim was not to expose employees but to engage them in a manner that would make them feel respected, valued and supported. The leader paid attention to environmental issues and created awareness, for example, about his anti-poaching and anti-collusion stance.

Findings further reveal that the leader would have strategic matters on the agenda of formal dialogues. Furthermore, the leader sometimes used formal dialogues to influence his followers, get their buy-in and consult with them. By getting the employees input often, led to them taking ownership of the decisions taken in those formal dialogues. This is in line with what Uhl-Bien (2006) says in terms of the relational leader creating social change and coordination through influencing the followers.

Things in this organisation were done in line with the proposition which explains what happened in this case under study. Thus, it can be confirmed that the findings largely supported the proposition.

4.4.2 Informal interactions

The second proposition was, what the leader pays attention to, measures and controls during regular informal interactions between leaders and followers, contributes to strong mutual relationships between them, which promotes ownership and accountability amongst employees for their actions.

Due to the fact that the leader had an agenda of shaping a certain culture in the new organisation, he ensured that he built mutual relations with his followers. Informal dialogues were used by the leader as an important contributor to communication which assisted in trust building. He related to employees at a personal level to build healthy relationships and listened to them as he valued them as an important stakeholder. This approach was influenced by his personal background. In this case, the leader paid attention to the followers' wellbeing. For example, he took time to ask them how they were, or how their families were doing. Employees in this organisation were valued and the leader ensured that he consistently communicated that message to them in the manner of his interactions. Even when it was not verbally communicated, employees still felt that they were valued by the leader

because of his consistent behaviour. Hence, the leader ensured that he had regular informal interaction with staff.

The leader used various types of informal interactions to show the extent to which he valued his followers. Firstly, he participated in significant events in people's lives. For example, he celebrated birthdays with staff. The leader made a monetary contribution towards these celebrations. Before the leader joined the organisation, staff birthdays were not celebrated at work. The leader took an initiative and requested a list of all staff birthdays. He then started sending individual messages wishing employees well on their birthdays, including those that were based in the regional offices, which was gladly received by staff. These messages were followed up by a birthday card signed by all staff and a cake to be enjoyed on Fridays in their informal gatherings. In the regions, these celebrations took place once a month and staff felt special as celebrations would coincide with the regional visits of the leader. Gatherings were also arranged for staff members who had significant achievements to celebrate, such as those who had bought a car, or who had graduated.

Secondly, the leader encouraged unity amongst staff. This was often done by the leader in his informal interactions with staff where he encouraged teamwork. This became evident when endeavours to keep staff as a team were cited. "For example every last Friday of the month we get together and the leader and his team are often part of those gatherings", one of the interviewees stated.

Thirdly, the leader initiated informal contact with followers. He did walkabouts and engaged informally; interacting with staff. He would make pop-in visits at the nearby nature reserve. On his return to the office he would then share his experiences and observations with the COO.

Fourthly, he initiated staff contributions towards the bereavement of one of their team members. This was voluntary and most people, including the leader, decided to make these contributions willingly, contributing a certain amount of money towards the funeral of their colleague's loved one.

Finally, the leader would share information and his experiences with staff. He would give one of the staff members a book that he had finished reading. He also told stories to illustrate the message he needed to convey to staff.

Through the above informal interactions between leaders and the employees, a strong mutual relationship between the two parties developed, which led to employees taking full responsibility for their actions. The leader often acknowledged and recognised employees and efforts that they put into their work, and as such, strong mutual relations between staff and employees were formed. One of the interviewed employees stated that at this organisation, they felt as if they were with their second family, since they spent most of their time at work. It was that sense of belonging that made them take responsibility for their actions.

The leader strengthened mutual relations through the various rites and rituals mentioned above. This leader's consistent behaviour made a significant contribution towards the building of trust between the leader and his followers, thereby promoting a sense of ownership and accountability amongst employees for their actions. This leadership behaviour thereby promoted and instilled a culture of accountability. A case in point is when a manager that acted on behalf of the leader did not acknowledge an employee's birthday and did not buy a card and a cake as per the organisation's ritual. On realising his mistake, the manager immediately brought this matter to the attention of the leader after the birthday. This showed that the manager took full responsibility for his. This was amicably resolved and the employee was happy after she had a special belated birthday celebration.

Sveningsson and Alvesson (2003) stated that one of the relational leadership behaviours is engaging employees in informal interactions or dialogues. In this case, the leader regularly interacted with his employees and took an interest in their wellbeing. One of the key ways to engage employees in a manner that shapes the culture is to consistently relay messages of what the leader pays attention to, measures and controls in these dialogues, thereby demonstrating a consistent behaviour (Schein, 2010).

Furthermore, there were rites and rituals that the leader initiated in the organisation, which reinforced and supported the informal interactions in a way that built a culture of ownership and accountability for one's actions. This applied in particular to the celebrations, walkabouts and recognition of staff, which encouraged regular informal interactions such that employees developed trust in the leader. Findings revealed that informal interactions and communicating what the leader paid attention to develop trust in the leader. It is necessary to consider developing trust as a mechanism for culture change. Findings were in line with this proposition as the leader succeeded in shaping the culture through what he paid attention to, using informal dialogues.

4.4.3 Trust and communication

The third proposition of this research was, leaders who behave consistently when handling critical incidents and organisational crisis, are trusted by followers, who then act responsibly and take full responsibility for their actions, and even their mistakes.

From the formal and informal interactions with employees that were described above, the leader managed to build a trust relationship between himself and the employees, as the employees observed consistency in the leader's behaviour. Employees were as a result not fearful of the leader and felt that they could communicate with him directly. However, in those instances where an employee raised a particular topic with the leader and the leader regarded it as a specific departmental issue, he referred the employee back to the department, communicating directly with the executive responsible for that department.

When the leader was away, or on leave, he appointed one of his employees to act in his position. The leader delegated some of his responsibilities to his employees without micro management. For example, in the interviews the leader said that he trusts his managers and shows this trust was through delegating some responsibilities to them and also allows them to act in his position in his absence.

Due to the leader's consistent behaviour, he was trusted by employees, which led to employees taking full responsibility for their actions. When the leader of this organisation engaged with different reserve managers from the regional offices, assigning responsibilities to them, he behaved in a consistent manner. In doing so, his employees expected and knew at each encounter how the leader would behave, regardless of who did what in the organisation. One of the interviewees recalled that when they had their private conversations, they realised that the leader treated them equally. Due to the consistency in the behaviour of the leader, the reserve managers began to trust the leader and took full responsibility for their actions as assigned by the leader.

Due to the existing trust relationship between the leader and the employees, if the reserve managers happen to make a mistake, they are not fearful of bringing those mistakes to the attention of the leader because of the consistency and predictability of the leader. A serious incident occurred when one of the field rangers was gouged by an animal in one of the nature reserves. The reserve manager had made the mistake of allowing the field ranger to get too close to the animal, believing at the time that he could successfully manage the situation. Upon realising the criticality of the injury and its urgency, the reserve manager immediately contacted the medical emergency to airlift the field ranger to the nearest hospital, which was in Port Elizabeth. On arrival, the airlifters administered first aid treatment so as to contain the situation and then rushed him to Port Elizabeth. After the reserve manager had contacted the emergency services, he then phoned the leader to report the matter. The leader complimented the reserve manager for his prompt action in the case of a critical emergency. He also commended him for taking full responsibility for his mistake in allowing the field ranger to get too close to the animal and putting his life at risk.

The reserve manager knew how expensive the aircraft services were. However, he had to act swiftly as he knew that is what the leader usually encouraged in the event of emergencies of this nature. In the leader's engagements with the staff employed at the nature reserves, he would, in his formal or informal interactions with them, consistently advise them to take precautionary measures when dealing with animals, to ensure the safety of the staff and community at all times. One of the interviewed employees stated that, "the reserve manager trusted the leader that he would not turn around and interpret it as an unauthorised expenditure. Our leader is fairly predictable because he sticks to his principles and is consistent".

The leader further advised the executive in charge of this division to consider authorising transport and accommodation for the family of the field ranger, so that they would be able to visit him at the hospital where he had been admitted. That was the kind of support that the leader would extend to any other staff member when needed. Through the leader's response to this and other critical incident, employees felt that they could trust the leader, and that if they made a mistake they did not have to hide it, but would take ownership of the mistake. This tendency of taking ownership resulted in the building of a culture of accountability.

Carmeli et al. (2011) state that when a trust relationship is formed in an organisation, employees tend to voluntarily take ownership of their mistakes and discuss them openly. Thus, one of the relational leadership behaviours is to develop trust and communicate (Carmeli et al., 2011). In this case, the leader did develop trust between himself and his followers. One of the critical ways to develop trust that shapes culture is how the leader handles critical incidents (Schein, 2010). In this case, the leader handled critical incidents in a manner that developed trust with the employees. He communicated regularly with his employees through formal dialogues and informal interaction, which then enhanced and strengthened a certain level of trust in the leader. There were mistakes made, but employees took responsibility for any mistakes that they had made. Given the fact that employees were trusted by the leader, employees described how they started to act responsibly and to take full responsibility for their actions.

4.5 STRATEGIC LEADERSHIP

4.5.1 Create vision and purpose

The fourth proposition was, leaders create a vision and sense of purpose for the organisation, through what they pay attention to, measure and control thereby clarifying for employees what they are required to do.

Following the merger and the creation of a new mandate, at the leader's initiative, the organisational strategic intent was revisited and crafted during the Board's strategic workshop held in 2015. In the same workshop, the espoused values for this organisation were also crafted and redefined as respect, integrity and responsibility. This strategic workshop was inclusive of executive managers, senior managers, middle managers, key stakeholders and staff representatives. The annual report for the 2015/2016 financial year defined the vision statement for this organisation as, "responsible tourism and conservation underpin sustainable development of the Eastern Cape". The same report referred to the mission statement of this organisation as, "The organisation will become the premier conservation and tourism agency by actively pursuing low-carbon growth through innovation and collaboration in these sectors". The purpose of this organisation was to, "(1) develop and manage protected areas, and (2) promote and facilitate the development of tourism in the Province".

The interviewed employees observed that statements about the vision, mission, values and purpose of the organisation were formally communicated to employees through the following media and settings: (1) On the Intranet where all employees could access organisational documents; (2) On start-up computer screens; (3) In formal dialogues convened by the leader with staff; (4) In departmental meetings; (5) In organisational annual reports; and (6) Published in the internal newsletter called e-Voice.

Following the strategy workshop, there were further deliberations about the new organisational identity that would distinguish the newly merged organisation from the two that existed prior to the merger. Also, after this strategy workshop, the leader focused on the structure of the organisation. Three key changes were made as a result of those deliberations: (1) The Marketing Department became a standalone unit; (2) A unit called Destination Tourism was absorbed into the Operations Unit; and (3) The Information Technology (IT) unit and Facilities Unit were moved from the Operations Unit to the Corporate Services Unit. The implementation of the new structure resulted in some staff members reporting to new managers and working closely with colleagues from the other organisation with which theirs had merged. In this restructuring process, the leader set out clear lines of reporting for all staff and he ensured that every employee had signed a performance agreement with their respective managers. The purpose was to ensure that the value of accountability which was crafted in the strategy workshop was indeed espoused and implemented. As an incentive to best performance, the leader rewarded employees by giving them a performance incentive bonus, which encouraged employees to do their best and implied that they had to be clear of what they were required to do.

The leader overhauled organisational systems and procedures such as the performance incentive bonus policy and financial systems. Employees who had met their performance targets earned a performance incentive bonus. A performance bonus was also awarded when the organisation had earned a clean audit report, for both the financial and performance information audits. The leader stated that, "I am a fanatic when it comes to having systems in place that are predictable and work properly, irrespective of who occupies the office. What makes my blood boil is when there is no predictability in the system. It is not about big things, but about the basic things that must be predictable and work continuously without any hassle". The leader tightened up the financial reporting and ensured that both internal and external audits were done in scheduled intervals to ascertain if the finance unit implemented the system as per the set procedures. Moreover, the leader would require reports from this unit on the financial standing of the organisation and he managed to account for the funds expended. In addition, the leader ensured that management performed their duties including budgeting and reporting as a control measure. So from the narrative above, it was evident that these systems and procedures were overhauled for a number of reasons: (1) to support

the vision and purpose of the organisation; and (2) to create a culture of accountability and responsibility.

In the interview with the leader, he made reference to the corruption case around the Mandela Funeral, which was a problem he had inherited when he assumed his responsibilities as the leader. The leader said, “there was a Public Protector report around the Mandela Funeral scandal. This was a process I was not part of and there was alleged corruption and fruitless and wasteful expenditure”. It was reported that this transgression was disclosed as part of the Auditor General report and the Board had already conducted an internal audit on the matter, which revealed that some executives within the organisation were responsible for the transgression. The leader followed disciplinary procedures to take action against the transgressors, and this displayed and strengthened the culture of accountability in the organisation. He stated that such procedures set the right tone to all staff, who observed how these cases were handled. This further set the right tone to all employees in that they knew that failure to comply with the organisational systems and procedures would lead to serious consequence management. The leader added that, “for three consecutive years, the organisation earned a clean audit, no irregular expenditure, no wasteful expenditure and no fruitless expenditure. The organisation is intolerant of any wrong doing”. From this statement, it was evident that systems and procedures, along with the disciplinary procedures that were taken, brought about the clean audit.

The leader reinforced the culture of accountability in the organisation and this was often done through formal statements and storytelling. In light of the Mandela Funeral Scandal, the leader emphasised the importance of employees being accountable for their actions. It transpired from the interviews that the leader would advise employees to be accountable for their actions at all times and follow systems and procedures. One of the employees confirmed that the leader would even use storytelling to emphasise what he paid attention to, measured and controlled.

One of the most memorable stories related by the leader that the interviewed employees referred to was “The cheese boat” story. This story was used by the leader to emphasise the espoused value of accountability. This story was in relation to the long-term sustainability of the organisation that provided for employees’ families in the form of monthly salaries earned. Hence the leader encouraged employees to imagine an organisation where every one of them kept looting organisational resources and being unaccountable for their actions or inactions, with employees losing their jobs because of such behaviour. Some of the interviewed employees quoted the leader as saying, “if the mice keep eating the cheese boat, the cheese boat would eventually be destroyed”. The leader told this story in an attempt to demonstrate the consequences of corruption and consequence management, while promoting an anti-corruption stance within the organisation. This was also done in an attempt to clarify what the employees were accountable for.

The fourth proposition was derived from the literature, where one of the roles ascribed to strategic leaders was to create a vision and sense of purpose. From a culture perspective, Schein (2010) argues that what leaders pay attention to, measure and control is the primary mechanism that can be used to create a vision and purpose.

Hitt and Ireland (2005) assert that one of the strategic leadership roles is to create a vision and sense of purpose for the organisation. In this case, the leader did so and paid attention to crafting the organisational strategic intent - that is, vision, mission, values, purpose and organisational goals - so that employees can be clear of the organisation's future intended goals that have to be achieved, as well as offering direction to an institution (Venter, 2013). In this case, the leader paid attention to the creation of the vision and sense of purpose for the organisation. He adopted an inclusive approach in order for stakeholders, including employees, to take ownership of the strategy and be able to implement it with understanding. This was a way that the leader used to promote ownership and accountability amongst followers, thereby increasing clarity of what the employees are required to do.

Furthermore, in the context of the merger, the leader had to create a new identity for the new organisation and formally communicated the organisational vision and purpose to employees through various media, which is in line with what Appelbaum, et al., (2014) suggest, namely that sharing the vision of the new organisation is particularly critical in the post-merger integration. The leader paid attention to providing a clear direction to the followers, of where the new organisation was going, and how it would get there. This behaviour had benefits for the organisation in creating a clear vision which contributed significantly to the organisation in terms of the successful merger, as well as clarifying to employees what they were required to do.

In addition, key changes were implemented by the leader in the organisational structure which led to the establishment of the new units that had not existed before, for example, the corporate services unit and operations unit, which had critical sub-units that addressed organisational core competences (Steigenberger, 2017). According to Schein (2010), organisational design and structure is a secondary articulation and reinforcing organisation which, in this case, was used to support what the leader pays attention to, measures and controls. Moreover, there were organisational systems and procedures that reinforced what the leader pays attention to in a way that built the culture of responsibility, particularly the financial systems which were introduced by the leader to inculcate the culture of responsibility and support the vision of the organisation. Systems and procedures are the secondary reinforcing mechanisms, which according to Schein (2010), support the primary mechanism used to create culture.

Moreover, the leader introduced clear and unambiguous disciplinary procedures that set a good tone and procedure of control for the anti-corruption stance that has been taken. This action strengthened the culture of responsibility, thereby providing clarity for what employees were required to do. In

terms of measurement, this was done as a management function, for example budgeting and reporting.

It was noted that Hitt and Ireland (2005) refer to six roles of a strategic leader but do not address the architectural role that strategic leaders play in “aligning the internal organisation for more effective strategic implementation and execution” (Venter, 2013:482). Findings reveal that restructuring of the organisation and setting up systems and procedures are equally important, but Hitt and Ireland (2005) do not identify these key architectural roles (Venter, 2013) as strategic roles. When it comes to post-merger integration of two different entities, it is important to have a common vision, purpose, identity, set of values by which the organisation operates. However, in doing so, the leader cannot ignore the structure, systems and procedures of an organisation which require his attention to ensure proper integration of the two entities (Appelbaum, et al. 2014).

Findings revealed another secondary reinforcing mechanism that the leader used to reinforce what he paid attention to, measured and control, and that is storytelling (Schein, 2010). The leader used storytelling to inculcate the vision and sense of purpose among the employees. This leader inspired his employees by telling stories that were of interest and relevance to what he was paying attention to. This is consistent with what Schein (2010) has identified as a secondary mechanism that can be used to reinforce culture, thereby clarifying to employees what they are required to do. Schein (2010) argues that stories are some of the ways in which leaders can show to what they are paying attention. Thereupon, the leader also told stories so that employees could realise the negative impact of corruption and its consequences. Formal statements and stories about the vision, mission, values and purpose of the organisation were consistently and formally communicated to employees through various media and settings, while storytelling was often done informally in the gatherings.

In this way, findings confirmed the fourth proposition as it was evident that an implementable and clear strategy was successfully implemented as a result of employees being clear of what they were required to do. A case in point was when the organisation earned clean audits in succession, leading to employee rewards. Findings revealed that apart from creating the vision, the leader also offered employees incentives in the form of bonuses to reward their performance when the organisation had earned a clean audit. This is consistent with what Schein (2010) has identified as a primary embedding mechanism, leaders allocating rewards and status, even though it was not considered as part of this proposition. So it can be confirmed that the findings largely supported this proposition which was informed by the literature.

4.5.2 Develop core competences

The fifth proposition was, leaders who pay attention to developing the organisational core competence and allocate resources to it, instil confidence in their employees with regards to carrying out their own responsibilities.

Following the merger and the mandate of the organisation, the leader took it upon himself to ensure that he developed core competences, which were identified as science and biodiversity conservation. The leader delegated this function to human resource specialist but he was still involved in following up on the developments and closely monitored the process. The interviewed employees stated that there is a collective of 15 scientists within the Operations Unit that was set up by the leader. The organisation had about five dedicated ecologists who are scientists, five technicians, four planners and the manager who was also a scientist, referred to as Manager: Protected Area Expansion. Through the organisation's recruitment and selection policy, the leader recruited a group of scientists with the intention of developing key organisational capabilities. Due to the fact that he could not find the required candidates with the expertise that he needed to achieve his goal, the leader began to recruit outside of the Eastern Cape Province, even though this group that was employed did not make a complete team required.

Upon realising that there was a lack of this expertise in the province, the leader implemented the bursary policy by advertising bursaries in the Eastern Cape Province and awarded eligible candidate bursaries to study in the field of science, paying attention to the biodiversity conservation component. This was in an attempt to attract relevant employees that on completion of their studies would be employed. He continually paid attention to developing and sharpening core competences of the staff in the organisation as he realised that this was a competence that was non-existent in the province. It was evident from the information received during interviews that the science sub-unit was the backbone of the organisation, hence the leader ensured that he invested a significant amount of resources in this unit. The leader further ensured that planners formed the interface between the scientists and the decision makers, with scientists being more respected by the rest of the organisation as they were considered the "engine" of the organisation because of their specialist core competences.

By paying attention to the development of core competences, the leader instilled confidence amongst this collective of scientists. They confidently carried out their responsibilities as they understood what their duties were and what was expected of them. Most of them were offered bursaries by the leader to pursue their doctoral degrees. This attitude towards them created a desire to excel in what they do and thereby gaining more confidence in as far as carrying their responsibilities. The leader rewarded this group with a performance incentive bonus as they achieved their performance targets year on year. Therefore, it was evident from the interviews conducted that the development of core competences of the organisation was sustained by the leader, who always ensured that there was an adequate budget allocated for bursaries, which were paid in full by the organisation.

The leader structured the operations unit in such a manner that they all played their distinct roles and support each other. Hence the Systematic Conservation Planners (SCPs) who, amongst other functions, specialised in developing the plans for the nature reserves had their distinct roles and

were clear of what was expected of them. The role of the SCPs was dual in that they: (1) developed plans that guided how the reserves should be managed and plans of action in the event of problems; (2) designed expansion plans that would inform the expansion strategy; (3) developed special products to inform the organisation to extend its footprint within the province; (4) assisted the municipalities in their planning processes when they developed their conservation plans, given that the organisation had a group of scientists which were considered the backbone in the province because of their expertise, thereby giving the organisation its uniqueness. As part of the Stewardship Manager's role in the organisation, the leader assigned him with the responsibility of taking information produced by the scientists and converting it into tools that inform decision making. This leadership behaviour instilled confidence in the Stewardship Manager in terms of executing his tasks, given that he was allowed to make decisions and run the sub-unit, which are responsibilities he excelled in.

Planners did what they called "mainstreaming" as part of the organisational mandate, which was to manage protected areas and also be responsible for protecting the indigenous biodiversity provincially. The leader would enter into a Memorandum of Understanding (MOU) with various partners, including, (1) government entities that were focusing on the implementation of some conservation related projects; (2) certain municipalities that required this organisational support and collaboration. The group of planners was there to support various stakeholders with whom the organisation entered into an MOU. One of their responsibilities was to "mainstream" their information and include it in the municipal Integrated Development Plans (IDPs). This organisation also integrated and aligned what they would be doing with the respective stakeholders into their plans to ensure that services and support were delivered as planned and as per their agreements. The leader would be invited to the Intergovernmental Relations (IGR) meetings held by various stakeholders to discuss and advise on strategic matters in relation to the biodiversity conservation agreements that they entered into with this organisation.

One of the employees stated that, "in as much as there are environmental officials at the municipalities, what makes this organisation's role distinct from the rest, is that the leader focused on developing core competences of the organisation. He paid attention to capacitating a group of employees within the organisation with specialist expertise, hence the leader ensured that he allocated resources to develop core competences and always encouraged employees to study". The focus of the organisation and its core competences differentiated the organisation from what other organisations were doing. All the interviewed employees including the leader concurred that the greater part of the resources was allocated to the operations unit.

Moreover, what made this organisation stand out both provincially and nationally was that it was the sole agency in the province that had the know-how and expertise of managing: (1) all seven biomes that the province was endowed with. One of the interviewees stated that, "our reserves have all those

biomes of the province. If one looks at SANPARKS for example, although they have a national mandate, biomes are in certain areas and cannot be found across one province, like it is in the Eastern Cape Province”.

Hitt and Ireland (2005) cite developing core competences as one of the strategic leadership roles, and in the case of this organisation, the leader did develop organisational core competences and he took an interest in that function, although he indicated to the human resource specialist that he was still involved in following up on the developments. This proposition suggests that one of the critical ways to develop core competences that shape the culture is the allocation of resources. In this case, there was the allocation of resources for core competences to be developed. For example, the leader engaged in a fundraising campaign to source extra resources, which led to the allocation of bursaries to a group of employees. Bursaries covered all the expenses and these resources were never depleted. Thus, allocation of funds for bursaries was a good investment by leader in developing core competences and this had positive spin-offs for the organisation as this group could contribute significantly to the organisation and were respected by all (Gelfand, et al. 2018). This instilled confidence among them and they carried out their responsibilities as expected.

In addition to that, there were systems and procedures that served as reinforcements in terms of allocation of resources in a manner that built a culture of responsibility. These systems and procedures, particularly the performance incentive bonus, encouraged employees to excel in their performance and hence, the whole company performed well (Andrews, 1971:46). Similar to the development of human capital, the allocation of rewards and status transpired from the findings as one of the primary mechanisms that the leader used to create the culture of responsibility. Schein (2010:247) argues that, “the nature of the behaviour awarded and punished and the nature of the rewards and punishments themselves carry the messages”. Hence, Schein (2010) suggests that the rewards should be consistent with the behaviour rewarded. In this case, the high levels of performance and implementation of proper organisational systems and procedures were rewarded.

As discussed in the section about creating vision and a sense of purpose for the organisation, the leader implemented critical changes concerning the organisational structure, for example the establishment of the operations unit and its sub-units. In addition to that, the leader recruited a group of scientists from other provinces while at the same time developing capabilities from within the province. This is consistent with Schein (2010) who states that organisational design and structure is a secondary articulation and reinforcing mechanism used to support the primary mechanisms, in this case, the allocation of resources. Furthermore, systems and procedures reinforced the allocation of resources in a manner that created the culture of responsibility, particularly the performance incentive bonus system, which the leader initiated in order to instil the culture of responsibility and support the development of the organisational capabilities. Therefore, systems and procedures are

the secondary reinforcing mechanisms that reinforce the primary mechanism used to create culture (Schein, 2010).

4.5.3 Develop human capital

The sixth proposition was, leaders who develop human capital through allocating additional resources instil confidence in employees who are willing and able to realise, or take up their responsibilities.

The leader exercised the role of developing human capital by playing an oversight role as he was the leader. He then delegated this function to the human resource specialist within the organisation to ensure its successful and proper implementation. However, the leader still had an active interest to drive human capital development through: (1) getting the HR specialist to submit progress reports on the staff that have been developed as per the plan in place; (2) monitoring the approved budget for staff development against the amount that has been allocated to staff and spent; (3) following up with the HR specialist on the number of employees who had completed their studies within the specified period; (4) getting the commitment of executive managers to sign their performance contracts so that they could ensure that Individual Development Plans (IDPs) were implemented and achieved in each financial year.

Employees in the organisation were valued and their growth was also valued, hence the leader ensured that resources were allocated for the purpose of human capital development through: (1) making resources available for studies; (2) finding extra funding through fundraising initiatives; (3) allocating extra resources in the form of bursaries for employees to study full degrees and cover the costs associated with their studies. In addition, this development of human capital was reinforced by implementation of the PMDS and related development processes, for example IDPs; (4) allowing for job rotation; and (5) coming up with a training programme that gets disseminated to employees.

In respect to making resources available for studies, employees were allowed to apply for leave when they were required to attend short courses and full qualification block release sessions, in various accredited and reputable institutions of higher learning. However, when there were more than five employees who had similar training needs, group training would be organised and the short course be conducted internally.

Nurturing employee talent required extra resources, hence the leader had to find additional resources through embarking on a fundraising campaign. The additional funding raised by the leader mainly covered costs related to human capital development. The leader would allocate the budget required for each year, basing it on the historical performance of the unit. The leader took particular interest in capacitating employees who were willing to study and were capable of taking accountability for their responsibilities at work.

Availability of extra funding enabled the leader to allocate bursaries for eligible employees. The leader prioritised bursaries for employees whose studies were aligned to the required organisational competences. When the leader introduced such initiatives, most employees enrolled with institutions of higher learning to further their studies relevant to their jobs. During their studies, employees would make improvements in their areas work, improve efficiency and do things better. Their skills and abilities were sharpened and that instilled confidence in employees given that they contributed meaningfully to the discussion and developed a passion for what they were employed to do. This was evident when the employees, during and after training, would come back and implement what they had learnt in an attempt to improve their areas of responsibility. This was enabled by the support which the leader gave his employees through making resources available in the form of leave and bursary allocation. This had a positive impact on the organisation as employees started to grasp their responsibilities better. Organisational performance started to improve with employees meeting their annual performance targets. Hence, when an employee resigned from the organisation, there would be a willing and able individual who was confident enough, who had the relevant competences, to act in the vacant position. "This is one organisation that opens up development opportunities to its employees", one of the employees indicated.

Having allocated bursaries for all employees who needed to study in each financial year, the leader would follow up on the disbursement of the approved budget, number of employees studying, their areas of study, as well as their educational progress until completion of their studies. For that reason, his actions and evident efforts to develop human capital resulted in a large number of employees enrolling for further studies. Above all, these initiatives impacted the employees as they instilled confidence in employees who began to execute their tasks with less supervision and who were able to provide progress reports.

The leader overhauled the leave policy which served as an enabler for human capital development through the allocation of additional resources. Due to the fact that the leader was interested in developing human capital, he put in place systems and procedures that were fair and consistent, in relation to how resources were allocated for each employee. The selection criteria for allocating bursaries were also made available.

The leader overhauled the PMDS and ensured that this system was implemented correctly. Annual performance agreements were signed by all relevant parties after having been discussed and agreed upon. Each quarter, when it was time to discuss and review performance, managers together with the employees whose performance was being reviewed, identified areas where the employees needed to improve in order to excel in their area of responsibility and meet their targets, thereby improving performance. Managers developed IDPs and identified areas in which the employee would be trained in that particular financial year. After an employee had been capacitated, they felt

confident to execute their tasks with less supervision and were able to provide progress reports confidently.

The leader initiated a job rotation system for staff. He allowed employees who were no longer finding their current positions challenging and who had been doing the same activities for years, to rotate their jobs. The leader constantly encouraged his managers to identify and develop talent. One of the employees quoted what the leader said in those meetings: "Guys make sure that you are always in touch with your employees so that when one is not happy with the unit he or she works in, that person must be assisted to find something interesting within the organisation". A case in point was that of an executive who had a staff member, based at the head office, who had lost interest in the unit where she was working. When the position in a regional office was available and advertised, the employee was moved to that area to do something she liked. This initiative impacted employees positively as they were continually being motivated and were always willing to take up their responsibilities, regarding their jobs as challenging.

The leader also developed human capital through role modelling, teaching and coaching. Role modelling was intensified by the fact that employees perceived the leader as one of the most visionary and inspiring leaders that they had ever had. The leader was himself studying further, giving other employees a drive to study further. Also, employees were keen to study further due to the fact the leader had created an enabling environment for them to study and develop themselves. One of the employees stated that, "I already had a master's degree when the two entities merged but, I had to further my studies too, as everyone is studying including the leader". The leader encouraged his employees to study and even availed resources for them to study. He shared his knowledge and challenged his employees to do better in their areas of responsibilities, stating that this could be done when one continually develops oneself. This leader's behaviour instilled confidence in many employees who were willing and able to take up their responsibilities.

The leader also encouraged employees to further develop themselves, which was perceived as teaching. He played an inspirational role in terms of getting employees developed as one of his priorities was to develop human capital. One of the interviewed employees recalled when the leader, in one of the extended management meetings, advised his managers that, "employees do not have to be stuck to the same job they do not like, and hence, managers must establish a relationship with their employees and be able to assist them to grow and diversify within the organisation". When the leader said that, he was interpreted as teaching his managers on how to look after their staff, develop and retain them.

The sixth proposition that was tested was, leaders develop human capital using a primary embedding mechanism of allocating resources to do so, which leads to confidence amongst employees willing and able to carry out their responsibilities. Hitt and Ireland (2005) stated that one of the strategic leader's roles is the development of human capital. Findings confirmed that the leader successfully

developed human capital, and even though he delegated this task to the human resource specialist, he still took an active interest in that the situation. For example, he followed up on the progress regarding the development of human capital in the organisation, initiating key systems and procedures.

This study is about leadership and culture. In terms of this proposition, one of the key levers to develop human capital that shapes the culture is the allocation of resources. In this case, resources were allocated for the development of human capital and additional fundraising took place. Also, resources were allocated in the form of bursaries which covered all the expenses and as a result there was never an excuse for lack of resources to develop human capital. When strategic leaders develop human capital, from a culture point of view, Schein (2010) states that there are a number of primary embedding mechanisms that inculcate the culture of an organisation. Thus, allocating resources was one such primary mechanisms that the study focused on in terms of developing human capital. When resources are allocated to develop human capital, a culture of accountability is created, which from a human capital point of view is portrayed as employees who are willing and able to do what they are required to do, in confidence.

Furthermore, systems and procedures, which are a secondary articulating and reinforcing mechanism, were used to support the identified primary mechanism in a way that would instil the culture of responsibility. For example, the PMDS, IDP and initiating job rotation system were systems and procedures used to encourage and promote the development of human capital, such that employees were more willing and able to make a contribution, thereby enhancing the culture of responsibility. Employees had gained confidence in executing their responsibilities, willingly and able to do so. A case in point was when employees implemented at the workplace what they had learnt, thereby making improvements in their areas of responsibility and making a meaningful contribution to the organisation (Pearson and Sutherland. 2017).

Findings revealed that over and above what the leader did to develop human capital, he did role modelling, teaching and coaching, which demonstrated his uniqueness through the example he set – that of studying himself and thereby inspiring others to also study. This is consistent with what Schein (2010) has identified as a primary embedding mechanism, even though it was not considered as part of this proposition. So it can be confirmed that the findings largely support this proposition which was informed by the literature.

4.6 HOW THE TWO LEADERSHIP APPROACHES COMPLEMENTED EACH OTHER

This study set out to describe the culture of accountability whereby employees take full responsibility for, and are answerable for their actions. The culture of accountability / responsibility involves promoting ownership and accountability; building strong mutual relationships; acting responsibly; admitting to mistakes; clarifying what is required; and instilling confidence. This results in staff who

are willing and able to perform. This has come about through a combination of culture mechanisms and leadership roles. In the absence of both sets of strategic and relational roles, there would not be a full complement of facets of responsibility, and the culture of accountability would be weakened.

The propositions for this study reflect the combination of both relational and strategic leadership approaches. Thereupon when it comes to post-merger integration, and addressing the challenges that come with this phase of the merger, both these leadership styles were required. Furthermore, one of the findings of the study was that there was a need for the leader to exercise an architectural role, which is not encompassed by the two leadership styles that had been selected for the study. Thus in the case of a post-merger integration, there needs to be a leader who displays key roles of strategic leadership, relational leadership and also fulfils architectural roles. In the context of post-merger integration, both leadership roles need to be exercised so as to achieve the intended outcomes. The three strategic leadership roles (i.e. vision and purpose, core competence, human capital) are complemented by relational leadership roles (i.e. formal and informal dialogues, trust and communication) and architectural role (organisational design and structure). Exercising this set of roles as a leader, gives the leader a greater chance to succeed in a post-merger integration.

As was surmised in the propositions, the strategic leadership roles contribute to the display of a set of cultural mechanisms. That is, the vision and purpose came about by focusing on it as one of the roles of a strategic leader, and its realisation was also supported by secondary articulation and reinforcing mechanisms (for example, storytelling). When it comes to trust and communication, the relational leadership role became critical to keep employees informed of what is going on, and be in contact with employees and connect with them and behave in a consistent way, especially when there are significant changes in the organisation. The leader also had to have something of substance to communicate (for example the vision and purpose statement), to give employees a clear direction of where the organisation is going, its purpose and new identity. This illustrates how the two leadership approaches complemented each other. Similarly, when talking about development of core competence and the development of human capital, this involved employees being capable, but without trust, employees would not have realised these efforts. For example, if employees did not know that they can make a mistake in the workplace, and recover from that mistake, the leader would not gain traction in building core competence and developing human capital, given that the foundation to developing them is trust relationship between the leader and his followers. Employees needed to have a certain level of confidence in the leader and see him as credible. Thus in the post-merger integration, the kind of leadership that is required is a combination of the three leadership roles.

It was proposed in the propositions that these different kinds of leadership roles would make use of different mechanisms to produce different facets of culture. These facets are very different to one another and represent various dimensions of accountability. Each of these were evident in the study

as an outcome of the leadership and mechanisms that were applied, thereby complementing one another to create a “fully-fledged” cultural value of accountability. All the propositions were confirmed, meaning that both sets of leadership roles were required to complement each other in creating the culture.

4.7 SUMMARY

This chapter presented and discussed the findings of the study. These findings were presented in line with the objectives of the study as well as the propositions that were tested. The chapter therefore described the cultural value of “Accountability”; analysed how strategic and relational leadership roles were exercised to address post-merger integration challenges; analysed how leaders applied selected primary mechanisms (viz. what leaders pay attention to, measure and control regularly; how leaders handle critical incidents and organisational crises; how leaders allocate resources) to shape organisational culture; analysed how strategic and/or relational leadership complemented each other in a) addressing the challenges of post-merger integration and b) shaping a culture of accountability; and described how some of the secondary articulation and reinforcing mechanisms supported the culture that was created through primary mechanisms.

CHAPTER 5: CONCLUSION

5.1 INTRODUCTION

This is the final chapter of the study. It provides a brief summary of the findings, considers the implications for managers and makes recommendations for management practice. It also acknowledges the limitations, delimitations, and contributions of the study, as well as making recommendations for further research.

5.2 SUMMARY OF THE FINDINGS

Using the post-merger integration of the government organisation as a case study, this research was ultimately about how, in exercising their strategic and relational leadership roles, leaders shaped the culture.

The research aimed to analyse how in applying relational and strategic leadership, a leader created cultural artefacts, through primary and secondary mechanisms, to cultivate “Accountability” – a cultural value of the new organisation.

Specific objectives of the study included the following:

Firstly, to describe “Accountability” – the identified current cultural value. The study described the culture of accountability, which refers to employees taking full responsibility of their actions and being answerable. Findings indicated that the leader did support his employees and allowed them to take decisions and be accountable for their actions. He used formal and informal interactions to cultivate the value of accountability amongst the employees and in return, they felt obliged to take full responsibility for their actions. The value of accountability was prominent in the findings of the study. How the leader nurtured the relationships and inculcated teamwork, contributed tremendously to the shaping of the current organisational culture.

Secondly, to analyse how strategic and relational leadership roles were exercised to address post-merger integration challenges. Findings indicated that the leader used both relational leadership and strategic leadership roles to address inherent challenges that arose during post-merger integration. He ensured that he regularly held formal dialogues with staff through extended management meetings and stakeholder engagement forums. He also ensured that he participated in staff celebrations of their achievements, birthdays and often engaged in informal interactions with his followers. Both these communication platforms created a certain level of trust between the leader and his followers, thereby strengthening the cultural value of responsibility.

Thirdly, to analyse how a leader applied selected primary mechanisms to shape organisational culture. These mechanisms were: what a leader pay attention to, measure and control regularly; how

leaders handle critical incidents and organisational crises; and how a leader allocate resources. This objective was met by analysing the effect of these primary mechanisms when they were displayed during the actions taken by the leader to address post-merger integration challenges, and took the form of six propositions. All six propositions were confirmed in the study.

Fourthly, to analyse how strategic and/or relational leadership complemented each other in a) addressing the challenges of post-merger integration and b) shaping a culture of accountability. The post-merger integration comes with a number of critical challenges that the leader needs to address. These challenges were identified as follows: What is the vision and organisational purpose? How does the leader structure the organisation? What kind of culture does the leader need to create? How does the leader maintain trust and keep communication with his followers? How does the leader build new core competences and develop human capital? The study demonstrated that all the challenges could not have been addressed from only a strategic, or only a relational leadership approach. In addressing the challenge of trust and communication, relational leadership becomes key. This communication is more about formal and informal dialogues that happen and the trust that is built in the process.

On the other hand, from a strategic leadership point of view, there needs to be a vision and organisational purpose, organisational core competence and human capital that have been developed. An architectural leadership role was also required during integration to ensure that the structure works. The study also concluded that both strategic and relational leadership complemented each other in shaping the various facets of a culture of accountability. Fifthly, to describe how some of the secondary articulation and reinforcing mechanisms supported the culture that was created through primary mechanisms. These mechanisms that supported the primary embedding mechanisms which had been created by the leader were: organisational structure and design; systems and procedures; rites and rituals of an organisation; stories about important events and people; formal statements of organisational philosophy, creeds, and charters. The study revealed that not all secondary articulation and reinforcement mechanisms are in support of the primary mechanisms in this case, for example, design of physical space is not applicable in this regard.

5.3 IMPLICATIONS AND RECOMMENDATIONS FOR MANAGEMENT

The findings of the study have several implications for managers:

- The resources-based view suggests that employees are important, as they are the basis for developing core competences of the organisation. During change, leadership should not leave employees behind and become preoccupied with legal and structural issues or finance issues.

- Since leadership has a substantial influence on the culture of an organisation, a leader should be aware of how his or her leadership actions are shaping the culture. Thus leadership should be deliberate about their actions, and consider how they affect or shape culture. They should therefore display behaviour that will contribute to the desired cultural change and not behave in ways that will be viewed by employees as out of keeping with the cultural values.
- During organisation mergers, the leadership needs to apply a combination of leadership roles to address all post-merger integration challenges. It is recommended that both relational and strategic leadership roles need to be exercised, without leaving out the architectural role which is equally important when addressing post-merger integration challenges.

5.4 RECOMMENDATIONS FOR FURTHER RESEARCH

5.4.1 Delimitations of the study

The study looked only at the case of a particular organisation that went through the merger, created a new culture and had to determine how to do this. This was the scope of this study, which was delimited in its focus on a series of events over a certain period of time in the life of this organisation.

The study looked specifically at how culture was formed as the organisation dealt with the challenges associated with post-merger integration. Further research could explore the role of leadership and culture over all the phases of a merger. Yet other studies could explore cultural formation in organisations that did not merge, but wanted to change their culture, or succeeded in changing the culture. Other researchers could try and establish whether outside of the merger, the two leadership approaches of strategic and relational leadership could still be used to shape culture.

The study focused on three selected primary mechanisms. Future studies could look at role modelling, teaching and coaching as mechanisms for culture change when developing human capital. Role modelling, when looking at human capital and not only at resources allocated, can enable an organisation's capability and culture point of view to create employees who are confident and willing to do what they have to do.

5.4.2 Limitations of the study

The study focused on one leader in one organisation. The findings of the study therefore relate to this single case. This study cannot be generalised in other places as the nature of culture formation led by leadership in merger situations may be very different. Furthermore, the research only obtained viewpoints from certain employees in the selected organisation. A sample of nine participants were interviewed, and only managers and employees in the head office were interviewed. While head office staff could potentially interact daily with the leader, employees in the regions did not. The findings of the study do not represent the views of the entire organisation. Another study may look at the regional perspective of how leadership shaped culture in post-merger integration.

5.4.3 Contribution of the study

Although the limitations and delimitations of this study have been acknowledged, the study has contributed to the knowledge of culture formation during post-merger integration. Theoretically, post-merger integration needs to address six key challenges. In this study, it has been confirmed that these challenges required a combination of strategic and relational leadership to address them. The study further highlighted that an architectural role is important in effectively addressing structural issues in post-merger integration. This study has also shown how, when strategic and relational leadership were exercised to address these challenges, they also created a culture of accountability. The study highlighted that the two leadership theories complemented each other in shaping the culture of the organisation. Findings revealed that the leader's interpersonal interactions and daily conversations with staff made a significant contribution to shaping culture. On the other hand, when the leader applied relational leadership, it went hand in hand with his execution of the strategic leadership roles to shape culture.

Thus, based on the findings of the study, the following research recommendations are outlined:

Management recommendations:

Firstly, the organisational structure is one of the main features of organisational integration. By implication, a post-merger integration requires emphasis on structure, systems and procedures. In addition to creating the common vision and purpose, the architectural role that a strategic leader needs to play can be explored in further studies.

Secondly, it has been revealed in this study that allocating rewards and status was a key lever for developing human capital and core competence. From a leadership point of view, the strategic and relational theories of leadership explored in this study did not point to this as a primary mechanism. Findings have revealed that the allocation of rewards and status, a primary embedding mechanism, is another mechanism that could be leveraged. It is recommended that further studies should look at the impact of the allocation of rewards on organisational culture creation, drawing on the contingent reward approach of the transactional leadership style of full range leadership theory (Kirkwood, 2006).

Research recommendations:

Finally, this study was about leadership and culture. Two sets of leadership roles from strategic and relational leadership theory have been identified as key to addressing the six post-merger integration challenges. Further studies should build on what this study has contributed, and examine how architectural leadership, strategic leadership and relational leadership roles are applied in other post-merger integration situations. In terms of culture, this study has shown how these roles through the selected mechanisms have shaped the culture of accountability. Further studies can look at whether these leadership roles apply the same cultural mechanisms of a primary and secondary nature in

shaping the culture of an organisation. Other studies can also build on this study by taking the same mechanisms and propositions and apply them to shaping a cultural value of responsibility, and possibly other values.

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APPENDICES

APPENDIX A - INTERVIEW QUESTIONS

CHIEF EXECUTIVE OFFICER

Please state your date of employment in this organisation.

How were you involved in the leadership of the past regime?

Take me through the merger process of the two entities, if you were part of the merger of the two institutions.

If you were not part of the leadership in the past regime, at what stage of the merger did you join this organisation?

How did you feel about taking on this role?

How would you describe yourself as a leader?

What did you identify as challenges you faced when you joined the organisation? How were those challenges dealt with?

How was the current executive recruited? If you were not part of the recruitment process, how would you say was the attitude towards you as the incoming leader?

What changes or new improvements did you introduce in this organisation? How were those improvements or changes communicated to your executive as well as to staffers?

How were those received? And how did you gather that information on, for example their feelings about the changes?

How would you say is the current culture of this organisation? And why is it important to have a culture in an organisation?

How different is the current culture from the culture of the previous organisation?

What has the leader done to shape culture of this organisation? How have you contributed to the shaping of culture of this organisation?

What message does the leadership communicate to employees? What are the priorities?

What is the strategic intent of this organisation?

What are the core values of the organisation?

What are you hoping to achieve when you come up with organisational values?

Values as espoused? Do employees behave according to those values?

What would you say are the rites and rituals of this organisation? How were they formed?

How is the organisational structure and design? What could be the reason of structuring the organisation in that manner?

What is the rate of disciplinary cases that emanate from transgression of organisational policies and procedures?

How were these policies and procedures communicated to staffers?

What do you pay attention to, measure and control regularly? Please elaborate.

Is the existing culture the desired culture? If not, please elaborate.

What would you say are the core competence in this organisation? How do you nurture them?

How often do you communicate with your employees and what medium of communication do you normally use?

Think of situation in the past where you had to handle a critical incident. How did you go about that?

OLD EXECUTIVE MANAGERS

Please state your name, position and date of employment in this organisation.

What are the significant events that happened in this organisation in the past five years?

How did the merger process affect you? What were the significant changes that occurred subsequent to the merger?

How different is the current leadership from the old organisation's?

How was the process of merger facilitated? Please elaborate?

What support was granted to the employees? If not, why?

What interventions did you implement to allay fears of employees that were perhaps evoked by the process of merger?

What message do you communicate to your staffers? Please elaborate?

What informed the allocation of resources in this organization? In retrospect, how would you say things could have been done differently?

How do you deal with the mistakes that are caused by employees that may have potential adverse impact on the organization? (Except for fraud or corruption).

How often do you interact with your subordinates?

What would you say are the cultural values of this organization?

What are you hoping to achieve when you come up with organisational values?

What is the strategic intent of this organisation? If it was communicated to the employees, please explain the process.

How were the organisational policies and procedures communicated to staffers?

What do you pay attention to, measure and control regularly? Please elaborate.

Is the existing culture the desired culture? If not, please elaborate. How different is the current culture from that of the previous organisation?

What would you say are the core competence in this organisation? How do you nurture them?

How often do you communicate with your employees and what medium of communication do you normally use?

What contribution did you make in terms of shaping the culture of this organization? Please elaborate.

Think of situation in the past where you had to handle a critical incident. How did you go about that?

What contribution did you make in the design and structure of this organisation?

How are systems and procedures fostered to employees?

NEW EXECUTIVE MANAGERS

Please state your name, position and date of employment in this organisation.

What is your organization strategic intent?

What message do you pay attention to, what do you measure and control? Please elaborate?

How are resources allocated in this organisation? What would you say is the rationale behind this kind of allocation?

How effective are the systems and procedures in this organisation? How do you ensure that they are communicated to employees and used as required and how well are they implemented?

What would you say are the rites and rituals of this organisation? How were these formed?

What do you appreciate most about working for this organisation? Please elaborate.

What would you say are the areas that require improvement so far? Please elaborate.

How would you describe the “smell” of this place?

What are the values of this organisation?

In summary, how are things done here?

OLD EMPLOYEES

Please state your name, position and date of employment.

What are the important events that have occurred in this organisation in the past five years?

How did the leader deal with such critical events? What effect did these events have on you?

What has the leader done? How has that affected the way things are done around here?

How would you describe your current manager as a leader?

What message is communicated to you by management, how consistent is it communicated?

What does a leader pay attention to, measure and control in this organisation? Please elaborate.

To what would you attribute the current culture of this organisation?

What are organisational values?

What would you say are the rites and rituals of the organization? How are they formed?

How different is the current leadership from the old organisation's?

Compared to the previous organization you worked for, how would you describe your current work environment?

How has your organization's vision and strategy changed since the new leadership joined the organization?

What would you say this organisation is trying to achieve?

NEW EMPLOYEES

Please state your name, position and date of employment in this organisation.

What attracted you to this organisation?

What is the strategic intent of this organisation?

What are organisational values?

What do you think is the significance of having values in an organisation?

How did you get to know about these values? How were they communicated to you?

What does a leader do to demonstrate that they value employees in this organisation?

Identify a particular value that is demonstrated by your leaders.

Tell me what you observed as a series of events or actions or behaviours in the organisation?

Describe leadership displayed in this organisation?

What would you say is the culture of this organisation? Any specific examples you may site?

How would you describe your current manager as a leader?

What does a leader pay attention to, measure and control in this organisation? Please elaborate.

What would you say are the rites and rituals of the organization? How are they formed?

How would you describe the "smell" of this place?

In summary, how are things done here?

END OF INTERVIEW QUESTIONS!

APPENDIX B – INFORMED CONSENT



RHODES UNIVERSITY

INFORMED CONSENT FORM

Rhodes Business School

Research Project Title:	A case study of how a leader shaped the culture of an organization during a post-merger integration.
Principal Investigator(s):	Vuyokazi Zozi

Participation Information

- I understand the purpose of the research study and my involvement in it
- I understand the risks of participating in this research study
- I understand the benefits of participating in this research study
- I understand that I may withdraw from the research study at any stage without any penalty
- I understand that participation in this study is done on a voluntary basis
- I understand that while information gained during the study may be published, I will not be identified and my personal results will remain confidential
- I understand that I will receive no payment for participating in this study

Information Explanation

The above information was explained to me by: [Vuyokazi Zozi](#)

The above information was explained to me in: ☐English ☐isiXhosa

and I am in command of this language.

Voluntary Consent

<p>I, _____, hereby voluntarily consent to participate in the above-mentioned research.</p>	
<p>Signature: _____</p>	<p>Date: / /</p>
<p>Investigator Declaration</p>	
<p>I, Vuyokazi Zozi, declare that I have explained all the participant information to the participant and have truthfully answered all questions ask me by the participant.</p>	
<p>Signature: _____</p>	<p>Date: / /</p>

APPENDIX C - CODING MANUAL

Code No.	Label	Definition	Description of Occurrence	Qualifications and Exclusions	Reference
1	Formal Dialogues (FD)	Interacting with employees in formal settings to keep them abreast of issues and/ or solicit input from others.	A leader enable employees to express themselves freely in formal settings and allowing employees to express differences of opinion as they work towards achieving a common goal.	<p><u>Qualification:</u> Formal meetings in a formal setting, pre-set agenda, participants are invited, decisions are made.</p> <p><u>Exclusion:</u> Engagements held outside of a formal setting.</p>	Fay (2011); Carmeli (2011)
2	Informal Interactions (II)	Having everyday conversations and interactions with others.	Informal interactions amongst employees in the work environment.	<p><u>Qualification:</u> Spontaneous conversations or interactions</p> <p><u>Exclusion:</u> Indirect interactions.</p>	Sveningsson and Alvesson (2003)

3	Building Trust (BT)	Allowing oneself to be in a vulnerable position, with the hope or expectation that a positive response will be received that is receptive to that individual	Trust mostly built through communication, formal and informal engagements and also when a leader behaves in a consistent manner.	<u>Qualification</u> : Open communication through formal and informal interactions.	Carmeli, <i>et al.</i> (2011)
4	Creating a Vision and Purpose (VP)	Providing inspiration and clear guidance for choosing current and future courses of action and the reason for which something is done.	When a leader creates a picture of a future desired state, gives direction and provides a reason for the organisation's existence.	<u>Qualification</u> : A leader providing clear direction of where the organisation is going and what the organisation was set up to achieve. Inspirational and purposeful.	Venter (2013); Cannella (2001); Foster and Akdere (2007)
5	Developing Core Competence (CC)	Investing resources in forming the organisation's distinct capabilities that are valuable, that other firms may not find easy to emulate, are non-substitutable and rare	Acquisition and development of organisational resources and capabilities.	<u>Qualification</u> : Collective organisational capabilities <u>Exclusion</u> : Individual skills or talents.	Galpin (2018); Venter (2013); Bilgin, Bilgin and Kilinc (2016)

6	Developing Human Capital (HC)	Acquiring and developing new skills and talents that are relevant and are required in the organisation.	Continually investing in employees to enable them to perform effectively and efficiently.	<u>Qualification</u> : A source of knowledge.	Centre for Educational Research and Innovation (1998); Burke and Cooper (2005)
7	What a leader pays attention to, measures and controls (PAMC)	Noticing and emphasising what is important, while ensuring that there are assessment tools and ways of ensuring that what is required to be done happens in the desired manner.	Leader's priorities that can be presented as casual or formal remarks and questions that are consistently focused on a certain area.	<u>Qualification</u> : Being systematic in paying attention to certain things. Leaders communicating what their priorities, goals and assumptions are. <u>Exclusion</u> : Inconsistent and shifting attention.	Schein (2010)
8	How a leader handles critical incidents and	Identifying crisis and what has a potential to cost the organisation its business and how a leader manages that process.	Crisis or critical incident that arises due to major internal and/ or external survival issues and how those are managed and controlled.	<u>Qualification</u> : Action taken to solve crisis or attend to a critical incident.	Schein (2010)

	organisational crises (HCI)				
9	Resource Allocation (RA)	Placing and distributing assets and other resources to enable optimal functioning of the organisation.	Leader enabling optimal functioning of the organisation by making resources available.	<u>Qualification:</u> Making resources available	Schein (2010); Okumus (2003)
10	Accountability/ Responsibility (/A/R)	Being answerable for actions or decisions made.	When employees are agents of their own behaviour, and are held accountable for their behaviours.	<u>Qualification:</u> Answerable for one's actions or inactions.	Pearson and Sutherland (2017)

APPENDIX D - VALIDATING AND USING THE CODE

(Testing reliability of codes through interview questions, organisational documents and interviews)

Code No.	Label	Definition	Description of Occurrence	Interview Evidence
1	Formal Dialogues (FD)	Interacting with employees in formal settings to keep them abreast of issues and/ or solicit input from others.	A leader enables employees to express themselves freely in formal settings and allowing employees to express differences of opinion as they work towards achieving a common goal.	Leader arranges various platforms to engage in formal dialogues with stakeholders - extended management meetings; stakeholder engagement forums.
2	Informal Interactions (II)	Having everyday conversations and interactions with others.	Informal interactions amongst employees in the work environment.	Leader doing walkabouts and engage informally, interacting with staff. Initiated staff birthday celebrations and always takes part. Leader congratulating staff on their achievements and celebrated with them.
3	Building Trust	Allowing oneself to be in a vulnerable position, with the	Trust mostly built through communication, formal and informal	Consistency in the leader's behaviour.

	(BT)	hope or expectation that a positive response will be received that is receptive to that individual	engagements and also when a leader behaves in a consistent manner.	Supporting decisiveness by others at the time of an injured employee.
4	Creating a Vision and Purpose (VP)	Providing inspiration and clear guidance for choosing current and future courses of action and the reason for which something is done.	When a leader creates a picture of a future desired state, gives direction and provides a reason for the organisation's existence.	Statements about the vision, mission, values and purpose of the organisation were formally communicated in various settings including annual reports.
5	Developing Core Competence (CC)	Investing resources in forming the organisation's distinct capabilities that are valuable, that other firms may not find easy to emulate, are non-substitutable and rare	Acquisition and development of organisational resources and capabilities.	The leader employed a group of scientists within the operations unit.
6	Developing Human Capital	Acquiring and developing new skills and talents that are relevant and are required in the organisation.	Continually investing in employees to enable them to perform effectively and efficiently.	Embarked on a fundraising campaign to mobilise funds to allocate for bursaries.

	(HC)			
7	What a leader pays attention to, measures and controls (PAMC)	Noticing and emphasising what is important, while ensuring that there are assessment tools and ways of ensuring that what is required to be done happens in the desired manner.	Leader's priorities that can be presented as casual or formal remarks and questions that are consistently focused on a certain area.	Teamwork through regular informal dialogues with staff.
8	How a leader handles critical incidents and organisational crises (HCI)	Identifying crisis and what has a potential to cost the organisation its business and how a leader manages that process.	Crisis or critical incident that arises due to major internal and/ or external survival issues and how those are managed and controlled.	An employee gouged by a wild animal at the nature reserve was airlifted for treatment. The leader endorsed this decision.
9	Resource Allocation	Placing and distributing assets and other resources to enable	Leader enabling optimal functioning of the organisation by making resources available.	Resources allocated to develop organisation's core competences and human capital.

	(RA)	optimal functioning of the organisation.		
10	Accountability/ Responsibility (/A/R)	Being answerable for actions or decisions made.	When employees are agents of their own behaviour, and are held accountable for their behaviours.	<p>Staff taking full responsibility of the mistake he did, wherein he allowed the field ranger to get close to the animal which resulted in a critical incident.</p> <p>Acting swiftly in a case of emergency wherein the reserve manager arranged an urgent airlifting for the injured employee and was decisive. He thereafter reported the matter to the leader and the executive in charge of this division.</p>