

**ORGANISATIONAL CULTURE AND STRUCTURE
AS MECHANISMS FOR THE REDUCTION OF
HUMAN BEHAVIOURAL VARIABILITY AT THE
MERGED FACULTY OF EDUCATION OF THE
UNIVERSITY OF KWAZULU NATAL (UKZN)**

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**Thesis presented in partial fulfillment of the requirements for the degree of
Master of Philosophy
(Information and Knowledge Management)**

STELLENBOSCH UNIVERSITY

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Declaration

I, the undersigned, hereby declare that the work contained in this thesis is my own original work and that I have not previously in its entirety or in part submitted it at any university for a degree.

Signature

Date

Abstract

The merger of organisations has been extensively utilised in many industries. This has occurred globally and locally. Some mergers have become successful while others have failed to achieve their goals. The failure of mergers could be attributed to insufficient attention to certain organisational elements. When institutions merged, they become vulnerable to diversity and conflict. They also experience human variability. Organisational mergers present challenges that could be associated with humanity. This could be precipitated by various beliefs, values and norms. Conflict and diversity could be reduced by implementing certain organisational elements.

This study is based on the developments of structure and culture as remedial organisational elements to reduce instability in merged institutions. These elements serve as mechanisms in dealing with the repercussions of the merger. The special focus of this study is higher education mergers. The primary objective is to gain an insight into the ramification and the impact of the merger. This includes the effectiveness of the newly designed internal processes. In accomplishing this, the study has applied a cultural and structural model to merged institutions. It has also examined various types of culture and structural literature theory extensively. From this it has discovered that these elements play a crucial role in reducing organisational conflict in mergers. It has also been found that merger consequences are less severe in organisations with similar backgrounds.

Opsomming

Die samesmelting van organisasies is in baie industrieë omvattend toegepas. Dit het globaal en plaaslik gebeur. Sommige samesmeltings was suksesvol, terwyl ander gefaail het om hul doel te bereik. Die mislukking van sommige kan toegeskryf word aan onvoldoende aandag aan sekere organisatoriese elemente. As organisasies saamsmelt, word hul vatbaar vir diversiteit en konflik. Hulle ondervind ook menslike variansie. Dit kan ontketen word deur verskillende gelowe, waardes en norme. Konflik en diversiteit kan gereduseer word deur sekere organisatoriese elemente te implementeer.

Hierdie studie is gebaseer op die ontwikkeling van struktuur en kultuur as remediërende organisatoriese elemente om onstabieliteit te verminder tydens samesmelting. Hierdie elemente dien as meganismes tydens reperkusies van samesmelting. Die fokus van hierdie studie is op hoër opvoedkundige instansies se samesmeltings. Die primêre doel is om insig in die vertakking en die impak van die samesmelting te verkry. Dit sluit die effektiwiteit in van die nuut ontwerpte interne prosesse. In die bereiking hiervan, het die studie 'n kulturele en strukturele model aangewend by die samesmelting van instansies. Dit het ook verskillende tipes kulture en strukturele literêre teorie omvattend ondersoek. Hieruit het dit geblyk dat hierdie elemente 'n kritieke rol gespeel het om organisatoriese konflik te verminder in samesmeltings. Dit is ook bevind dat die konsekwensies van samesmeltings minder ernstige gevolge het in organisasies met soortgelyke agtergronde.

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“Not by Might nor by Power but by my Spirit Says the Lord Almighty” Zachariah 4:6

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Table of Contents

Chapter 1

1.	Introduction	1
1.1	Background of the Study	1
1.2	Research Problem	3
1.3	Research Problem Statement	4
1.4	Research methodology	4
1.5	Outline of the Research	5
1.6	Conclusion	5

Chapter 2 – Organisational Culture 6

2.	Introduction	6
3.1	Definition of Organisational Culture	6
2.2	Different Types of Organisational Cultures	7
2.2.1	Dominant Culture	7
2.2.2	Subculture	8
2.2.3	Strong and Weak Culture	8
2.2.4	Academy Culture	10
2.2.5	Autocratic Culture	10
2.2.6	Role Culture	12
2.2.7	Person/Support Culture	13
2.2.8	Task/Achievement Culture	13
2.3	Formation of Organisational Culture	14
2.4	Levels of Organisational Culture	17
2.4.1	Artifacts Level	17
2.4.2	Espoused and Actual Value Level	18

2.4.3	Basic Underlying Assumptions	19
2.5	Functions of Organisational Culture	21
2.6	Organisational Culture Integration	23
2.7	Some Specific Factors of Cultural Integration	26
2.7.1	Strong Leadership	26
2.7.2	High Aspirational Level	27
2.7.3	Shared Performance Culture	27
2.7.4	Legitimisation and Psychological Safety Factor	29
2.8	Corporate Culture in Mergers	30
2.9	Some Specific Factors of Corporate Culture	31
2.9.1	Attitude and Beliefs Factors	32
2.9.2	Values, Norms and Assumptions Factor	33
2.10	Conclusion	34

Chapter 3 – Organisational Structure35

3.	Introduction	35
3.1	Definition of Structure	35
3.2	Different types of Organisational Structures	36
3.2.1	Mechanistic and Organic Structures	36
3.2.2	Functional Structure	39
3.2.3	Divisional and Product Structure	40
3.2.4	Product Team Structure	41
3.2.5	Matrix Structure	42
3.2.6	Bureaucratic Structure	44
3.2.7	Simple Structure	46
3.2.8	Geographic Division Structure	48
3.2.9	Informal Structure	49
3.3	Elements of Organisational Structure	51
3.3.1	Complexity	51

3.3.2	Centralisation and Decentralisation	52
3.3.3	Formalisation	53
3.4	Factors Influencing Structures	54
3.4.1	Organisational Environment	55
3.4.2	Technology	56
3.4.3	Strategy	57
3.4.4	Human Resource	58
3.5	Conclusion	59

Chapter 4 – Mergers of Academic Institutions 60

4.	Introduction	60
4.1	Definition of the Concept of Merger	60
4.2	Different types of Mergers	61
4.2.1	Horizontal Mergers	61
4.2.2	Vertical Mergers	62
4.2.3	Congeneric Mergers	63
4.2.4	Conglomerate Mergers	63
4.3	Phases of Mergers	64
4.3.1	Pre-Merger Phase	64
4.3.2	During-merger Phase	65
4.3.3	Post-Merger Phase	66
4.4	Merger Success and Failures	67
4.5	Impact of Mergers on Groups and Teams	69
4.6	Employees Perceptions on Mergers	70
4.7	Knowledge and Information transfer during Mergers	72
4.7.1	Definition of Knowledge and Information	73
4.7.2	Knowledge and Information Transfer Process	73
4.8	Conclusion	76

Chapter 5 – Interrelationship between Organisational Culture and Structure in Mergers77

5.	Introduction	77
	Interrelationship between Culture and Structure in Mergers	77
	Discussion and Proposition of Cultural/Structural O'Neill Model	79
	Discussion of Independent Variables	82
	Task Simplicity/Complexity	82
	5.3.2 Dispersion	83
	5.3.3 Interaction	84
5.4	Interrelationship between Independent and Dependent Variables	85
5.5	Conclusion	86

Chapter 6 – Empirical Testing of the O'Neill Model on the UKZN Faculty of Education87

6.	Introduction	87
	Case One: UN Faculty of Education	87
	Task	88
	Dispersion	89
	Interaction	89
	Relationship between Cultural/Structural and UN Independent Variables	90
6.2	Case Two: UDW Faculty of Education	90
6.2.1	Task	91
6.2.2	Dispersion	92
6.2.3	Interaction	92
6.2.4	Relationship between Cultural/Structural and UDW Independent Variable	93

6.2.5	Findings	94
6.3	Case Three: UKZN Education Faculty	94
6.3.1	Task	96
6.3.2	Dispersion	96
6.3.3	Interaction	97
6.3.4	Relationship between Cultural/Structural and UKZN Independent variables	97
6.4	Findings and Recommendation	99
6.5	Conclusion	101
	Bibliography	102
	Appendix	114

List of Figures

Figure 2.1	Schein's Model of Understanding Cultural Level
Figure 2.2	Gerhard Cultural Integration Factors
Figure 3.1	Robbin's Mechanistic Model Structure
Figure 3.2	Robbin's Organic Model Structure
Figure 3.3	Mullin's Bureaucratic Structure
Figure 3.4	Jones & George Factors Influencing the Structure
Figure 5.1	O'Neill Culture/Structure Model
Figure 5.2	Cultural/Structural Combination Approach

List of Tables

Table 6.1	UKZN Faculty of Education Schools and Programs
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List of Abbreviations

HE	-	Higher Education
HEIs	-	Higher Education Institutions
UN	-	University of Natal
UDW	-	University of Durban Westville
UKZN	-	University of KwaZulu-Natal
TN	-	Technikon Natal
DUT	-	Durban University of Technology
KM	-	Knowledge Management
CAE	-	Centre for Adult Education

Chapter 1- Introduction

1. Introduction

The process of merging organisations has become revolutionary. This practice has been widely utilised as a strategy for resource sharing. Organisations have rigorously engaged in this process to overcome constraints in industries. Globally, the Higher Education (HE) fraternity has extreme experience in this practice. However, this approach seems to be intricate in terms of implementing other aspects such as organisational and individual characteristics. An organisational merger is characterised by employees who possess various norms, beliefs, and values based on previous experiences. Individual diverse values in mergers are mostly underestimated and this could lead to organisational instability.

The instability could also become an obstacle for an organisation to reaching some decisions. These obstacles could be in a form of conflict. During an organisational merger, conflict may be attributed to certain organisational elements, namely *Structure*, *Culture*, *Processes*, and *Technology*. These elements in organisational mergers could play a fundamental role in contributing to the success of the merger since mergers impact organisations either positively or negatively. The significance of culture and structure for example could be an instrument in assessing organisational merger impact. Merging organisations require the intervention of employees and consideration of these elements. Therefore, in the context of organisational mergers research could be done to measure and analyse the extent of the impact and the effects of the merger. The subsequent section will further elaborate on the background of organisational mergers. This will be done specifically in the context of South African Higher Education Institutions.

1.1 Background of the Study

Mergers could affect organisations in various forms. This has been evident in the field of Higher Education in South Africa where Higher Education Institutions (HEI) merged as a

result of Government Legislation. The merger of these Universities was also the culmination of a wide consultation process between the South African Government and HEI. This was an effort to address past inequalities. These institutions therefore merged according to their close geographical proximity. In this study special focus is given to the merger of HEI in KwaZulu-Natal (KZN) province. The KZN province previously consisted of four HEIs. These were University of Natal (UN) and University of Durban Westville (UDW). These Universities merged to form University of KwaZulu-Natal (UKZN). The other two institutions were formerly known as *Technikons*. They were ML Sultan Technikon and Natal Technikon (NT). Their merger resulted in the formation of Durban University of Technology (DUT).

Regarding these mergers, the area of concern is the merger of UN and UDW especially in the Faculty of Education. The education faculty of UKZN came into existence as a result of a merger between former UN and UDW. The two universities merged at the beginning of 2005. Prior to the merger these universities operated under completely different structures and cultures. This was apparent in the way UDW organised their Education unit within the Faculty of Humanities, which consisted of three schools. The first school was the teaching sector, which was responsible for producing teachers. The second was the continuing education sector, which provided special programmes to existing teachers. Finally, the third school was the research sector, which provided support and development for educational research projects. In contrast to this the former UN was organised in two schools. The education faculty also had a centre for advancement of science and mathematics education. The administrative aspects of these universities especially in the Faculties of Education were also different from each other in terms of rules and policies. They were also different to each other in terms of entry requirements, curriculum or teaching content as well as modular programmes. It was also perceived among the community that former UDW was characterised by Indians and Africans. The former UN was considered to be a white institution. The current Faculty of Education, which has been formed as a result of the merger, comprises six schools within the new faculty. The new schools are *Social Science Education, Adult and Higher Education School, Mathematics, Science, Computer and Technology Education,*

Language, Literacy Media and Drama Education, Education Development, and Education Studies. Furthermore, each school consists of a head and academic staff. This faculty is geographically separated from other faculties. The merger of these faculties has brought challenges, which prompted the creation of new culture and structure. The next section will elaborate further on the challenges brought about by the effects of the merger.

1.2 Research Problem

UKZN Faculty of Education was confronted with various challenges after the merger of UN and UDW. This included the establishment of a culture and structure that would be suitable for good governance of the faculty. The faculty needed to develop structures that would enable employees to express their views regarding new procedures. It also needed to determine mechanisms that could ultimately be utilised to bind the faculty together. The faculty had to establish the platform that would facilitate the representation of individuals to create new processes. This faculty is also characterised by human variability, which needs to be reduced in order to deal with inconsistency. Human variability refers to employees' multiple values and diverse views concerning daily organisational activities. There were different beliefs and values, which precipitated organisational conflict during the merger transition. The faculty further needed to form a common ground that would assist to pre-empt human variability effectively.

Another challenge was to develop a cohesive environment and collaborative relationship among employees. One of the major hindrances involved the compilation of a guideline document. This document would include new procedures, rules, and management structures. A further challenge was to build a more trusting relationship among employees who possessed diverse values and beliefs. The University also had to construct the code of ethics that would guide employees' behaviour. The research will also attempt to respond to the following research questions.

- What is the extent of the organisation cultural and structural dimensions on employees in the merger of the two HEIs?
- How should employees be involved in the formation of organisational structure and the creation of organisational culture when two HE organisations merge?
- Is it advantageous to use an instrument based on the O'Neill cultural-structural model to manage conflict variability during mergers of HE institutions?

1.3 Research Objective

The aim of this research is to find a suitable mechanism or matrix that could be used to measure behaviour variability after the merger of two HEIs.

1.4 Research Methodology

This section describes methods, which have been used to obtain the necessary data to undertake this research. Data has been gathered through tri-angulation method. The first method includes theoretical or literature study. In this theoretical method, the extensive literature related to organisational mergers particularly HEI has been consulted. The second method is Case Studies. The case study method could also be described as a scientific method. This data collection technique has also focused on HEI documents. The documents consisted of rules, manuals, standard procedures, policy statement, and legislations. Another method of collecting data, which has been used, is interviews. The interview method could also be understood as an empirical method. Therefore, structured interviews have also been conducted. Interviews have also been applied by various authors and academic researchers¹.

¹ Young, P.V. 1966. *Scientific social survey and research* p.133-193

Interviews have also assisted in gaining an understanding of the current status of UKZN Education Faculty. Regarding interviews, respondents were randomly selected among senior staff members of the faculty including head of various departments. This covered about 60 individuals including senior lectures and support staff. The literature states that this method provides an insight into the adopted culture and structure of the merged institutions². Some writers have referred to it as a qualitative research method³. The inference concerning the findings of this methodology is presented in the final chapter of this research.

1.5 Outline of the Research

The following chapter will further deal with theoretical aspects of organisational culture with special reference to HEI who are engaged in mergers. Chapter Three will discuss the structure of an organisation and this will also reflect mergers of HEI. The fourth chapter will delineate institutional academic mergers with special emphasis in different types of mergers. Chapter Five will present the interrelationship between organisational culture and structure in mergers as well as a theoretical model of culture and structure. Chapter Six will deal with the empirical testing of the model and case studies. It will also discuss independent variables of former UN, UDW, and the current UKZN Faculty of Education. Furthermore, it will present the findings of the study.

1.6 Conclusion

This chapter has identified the objective of this research. It has provided the context and perspectives that will guide it to achieve the purpose. It has further mentioned the background and highlighted challenges that could impede the merger progress. Apart from exploring the objectives, it has also revealed the methodology which has been applied to collect the data. Furthermore, it has outlined or revealed what will be discussed in each chapter with regard to HEI.

² Charles, C. M. 1988. *Introduction to educational research* p. 26-51

³ Taylor, G. R. 2000. *Integrating qualitative and quantitative methods in research* p. 76-70

Chapter 2

Organisational Culture

2. Introduction

This chapter intends to highlight and discuss critical issues pertaining to culture in a merger context. The purpose is to reveal the significance of culture in organisations. The focus will be on the prominent aspects of different cultures. Furthermore, special emphasis will be placed on the major role of various cultures concerning the environment in which organisations operate. The functions and formation of culture regarding mergers will also be fully explored. This will include the role which could be played by cultural dimensions to reduce conflict in organisations. Before any further exploration of the features of this chapter, it is essential to firstly define the concept of organisational culture.

2.1 Definition of Organisational Culture

Organisational culture can be defined in various ways for different purposes. On many occasions this concept is associated with employees' or individuals' interaction in organisations. The literature has referred to it as a pattern of shared basic assumptions that the group has learned as it solves its external and internal problems of adaptation and integration. It is further stated that these basic assumptions are taught to new members as the correct way to perceive, think and feel in relation to those problems⁴. Other writers have also defined it as a set of symbols, ceremonies and myths that communicate the underlying values and beliefs of that organisation to its employees⁵. Therefore, organisational culture is understood to be the discipline that facilitates and provides cooperation among employees. Organisational culture can also be explained as the procedure or manner in which organisational employees carry out their normal daily activities. This may be further interpreted as the platform where employees or

⁴ Schein, E. D. 1992. *Organisational culture and leadership* p. 12

⁵ Ouchi, W. G. 1981. *How American business can meet the Japanese challenge* p. 41

individuals are connected to each other. This connection of employees is based on basic assumptions that distinguishes and identifies them as unique from other organisations⁶. Organisational culture is also understood as a system that is characterised by individual norms and principles. These norms and principles serve as a guiding factor for the organisations' management system. Due to various norms, values and principles, this concept is categorised into different types of cultures. The following section will further discuss these various types of organisational cultures.

2.2 Different types of Organisational Cultures

Different cultures in organisations have evolved as the result of individual beliefs. Various management styles have also led to the emergence of different cultures. This has greatly contributed to organisations' unity and uniqueness.

2.2.1 Dominant Culture

This type of culture usually flows from the top management of an organisation to the subordinates. This culture covers all the aspects of an organisation regarding task execution. It is a culture that broadly directs and binds the organisation together. It expresses the values that are widely shared by the majority of people within the organisation. Dominant culture exists among the group of people who hold strong political, ideological and economic power in the society⁷. Dominant culture may be further interpreted as the culture that carries the potential to influence the employees to focus on the vision and mission of the organisation. The literature further reveals that in most cases it is initiated at the strategic level of an organisation⁷. It is the culture that directs and provides a clear vision of the organisation. Although various divisions within the organisation develop their own culture which separates them from other divisional culture, the culture that emerges within the organisation may be identified as subculture.

⁶ Robbins, S. P. 2003. *Organisational behaviour* p. 525

⁷ Luthans, F. 1995. *Organisational behaviour* p. 490-501

2.2.2 Subculture

Subculture particularly exists within a department in an organisation. Individual interactions embody certain characteristics in which certain beliefs and behaviours arise. Consequently these behaviours and beliefs result in the emergence of a culture in a specific department as a result of employees sharing the same views. This may also be viewed as the combination of individual views shared by members of a particular division. This culture evolves within the organisational culture. Other researchers have referred to this culture as mini-culture⁸. This mini-culture is recognised in a group of people with a distinct set of behaviours and beliefs which distinguish them from other divisions of the same organisation⁸.

Subculture emerges as a result of a subgroups collective functionality in a specific unit. Some researchers have viewed subculture as the results of individual experiences concerning certain aspects in organisations⁸. This culture could be appropriate and efficient if it is not contradicting the dominant culture, which is endorsed by management. Other researchers argue that subculture is only relevant and appropriate in assisting the particular group to deal with daily activities in the department⁹. In UKZN Faculty of Education subculture could be identified in all the different schools. There is a specific way of performing certain tasks, which is assimilated by the majority of staff. Each school within the faculty consists of a specific culture regardless of the strength and weaknesses of that culture. The following section will elaborate further on the strength and weakness of culture.

2.2.3 Strong and Weak Culture

To distinguish between strong and weak culture, one needs to understand the characteristics of culture itself. The ability of the culture determines how strong or weak the culture is. In most cases the beliefs and individual performances in organisations may

⁸ Robbins, S. P. 2003. *Organisational behavior* p. 523-527

⁹ Jones, G. R. 2004. *Organisational theory and design and change* p. 195-224

determine cultural abilities. The strengths and weaknesses of culture may be identified by the elements which characterise it. Organisational characteristics can determine the strength and weaknesses of organisational cultures. According to some writers weak culture is identified as the culture in which an organisation consists of many subcultures¹⁰. This could be interpreted as the consequence of improper alignment of organisational individual values. Weak culture may also be viewed as the lack of an appropriate integration strategy. It is the reflection of the necessity of cultural integration particularly in a merger context. It further symbolises or illustrates the disunity and diversity of employees in an organisation.

In contrast to this, strong culture may not necessarily be viewed as the opposite of weak culture. Strong culture is particularly characterised by core values, which are intensely held and widely shared within an organisation. These core values are embodied in the leadership of an organisation. According to some researchers these core values have been labelled as sharedness and intensity¹⁰. These elements are further communicated to members in order to facilitate strong culture in an organisation¹¹. Sharedness may be interpreted as the situation where employees possess some core values facilitated by their sharing behaviour. Intensity involves the reward structure which urges individuals to perform tasks according to organisational preferences. Sharing, commitment, and submissive behaviour of individuals to organisational values could result in strong culture. Some organisations may develop a culture in which the strength or weakness could be based on individual skills. For instance in academic institutions various cultures could exist as a result of employees' skills. Academic departments develop a culture which could be labelled as academy culture. The following paragraph will further elucidate the academy culture.

¹⁰ Johnson, G. 1988. *Rethinking incrementalism* p. 75-91

¹¹ Parker, M. 2000. *Organisational culture and identity* p. 64-72

2.2.4 Academy Culture

This type of culture encourages employees to acquire more knowledge and skills. Academy culture provides development opportunity to individuals. It enables employees to exercise their skills in organisations. Some writers have expressed that academy culture has the potential to facilitate growth and promotion among employees¹². It is envisaged that individuals would acquire more skills in order to be promoted within an organisation. It may be further interpreted that it facilitates the acquiring and gathering of knowledge in the merger of HEI. This may also be viewed as the strategy for mergers of HEI to enhance the intellectual assets. The significant impact of an organisation implementing this culture is the rapid extension of organisational knowledge. It urges learning between employees of the organisation. Organisations implementing this culture could result in the emergence of another culture. Academy culture being facilitated by the skills and knowledge of individuals could lead to the emergence of another culture, which could be identified as Autocratic culture. This culture emerges as the consequence of the skills which have been acquired. The following paragraph will further deal with the exploration of autocratic culture.

2.2.5 Autocratic Culture

This culture refers to individuals with the highest position in an organisation. Autocratic culture enables authorities in an organisation to consider that their powers are legitimate. This culture could also be referred to as power culture. It allows senior officials to have absolute power in the organisation. Authorities use their position to justify their decisions. They use their power to control the organisation and to centralise decision making. Decisions in this culture are usually taken by individuals or groups at senior level. Some researchers have described it as a situation where employers are served with orders and instructions¹³. This may be in a form of formal and strict rules with which they are required to comply. This culture issues directives to employees. Autocratic may also be interpreted as a dictatorship style. Employees are required to adhere to the

¹² Sonnenfeld, J. 1984. *Managing career system* p. 12-22

¹³ Cartwright, S., Cooper, L. 1996. *Managing mergers, acquisition and strategic alliance* p. 66-87

stipulated rules. Within this culture individuals have no role to play in the formation of rules and procedures. The literature states that decisions in this culture are taken on the basis of influence instead of a logical rational process¹⁴. Individuals are cultivated and lobbied in order to make decisions. This may not be a relevant culture for HEI in mergers. Other researchers have expressed that the quality of service within this culture is tiered to reflect the status of individual customers¹⁵. This means that customers are not treated or served in the same manner. The interpretation of this is that management has the tendency of vigorously expressing and forcing ideas. Employees have no room for expressing their views.

Decisions are determined by the level occupied by individuals. This culture may be identified in family and in small entrepreneurial businesses. Organisations applying this culture usually experience high turn over. The positive aspect of this culture is that decisions are taken quickly as there are no channels to be followed. The negative side is that in the absence of authorities employees cannot function effectively. Decisions cannot be reached, and this may lead the organisation to lose business and production. Various researchers have explained that this culture is based on the centre by virtue of personal charisma or control of resources¹⁶. This is viewed as the trend where individuals are at the centre of controlling all aspects of organisation. This culture has also been explained as the middle man who controls and decides on the resources of the entire organisation¹⁷. The role being played by prominent individuals within this culture may lead to certain recognitions. Some cultures recognise individuals on the bases of the role they play in the organisation. This recognition has in turn resulted in another culture known as role culture. Role culture will be further discussed under the following subheading.

¹⁴ Handy, C. 1993. *Understanding organisations* p. 183-191

¹⁵ Senior, B. 1997. *Organisational change* p. 111

¹⁶ Strategic Direction, 2004. *Degrees of satisfaction* p. 26-89

¹⁷ Del Campo, R. G. 2006. *The influence of culture strength on person* p. 465-469

2.2.6 Role Culture

This culture focuses on the role and activities which individuals are assigned to perform. Communication in this culture is based on tasks that have to be performed. This means that communication occurs through job title. Employees under role culture are considered as role occupants. This also means that individuals communicate with one another on the bases of their specific roles in organisations. Some researchers have stated that this culture controls activities by rules and regulations¹⁸. It does not include personal directives from the senior level. The interpretation of this culture is that it does not focus on the collection of employees' personalities. This culture emphasises the organisational role that needs to be undertaken. It is also understood as the culture that creates physical distance between lower and higher level of employees. Senior management does not personally communicate with lower level employees. Ground level employees may not be able to reach senior management because of their role in organisation.

The negative aspect of this culture is that senior management may not be updated about certain issues on the ground level. They may not be aware of the needs of lower level employees. This is caused by the lack of direct communication within the organisation. This culture places too much emphasis on tasks that need to be done. Regarding this, some writers have highlighted the question of measuring and monitoring employees' performance¹⁹. Since role culture does not facilitate the management support of employees at operational level this deprives individuals of the opportunity to participate in the decision making process. Organisations implementing this culture may have repercussions and preclude other individuals in certain circumstances. The benefit of employees supporting each other may result in individual collaboration. Creating a culture where individuals support one another despite their roles, may help to ameliorate certain situations. The following subheading will look at the culture where individuals support one another.

¹⁸ Luthans, F. 1995. *Organizational behavior* p. 503

¹⁹ Hofstede, G. (et. al) 1990. *Measuring organisational culture*. P. 286-316

2.2.7 Person/Support Culture

Person support culture emphasises the significance of an individual's equal opportunity and growth within an organization. According to other researchers this culture focuses on individual personal development²⁰. This may also be interpreted as the culture that encourages individual involvement in all organisational aspects. Although this culture may not be exactly defined as the opposite of autocratic culture it stresses the significance of employees and management collaboration. This culture states that organisational employees should be supportive of each other in accomplishing goals. It facilitates and believes in the cooperation between members of the organisation. Further it creates a strong and unified individual commitment.

Person/Support culture may be similar to corporate culture which will be discussed in the subsequent chapters. In HEI mergers Person/Support culture could help to create corporate identity within the institutions. It focuses on collective group efforts of employees who are involved in all organisational activities. It also encourages employees to express their views. It further invigorates individuals to reveal their opinion regarding certain organisational issues. The strength of this culture is that it can produce a high volume of work at a fast pace²⁰. This also means that collaboration of employees can ultimately result in a massive amount of production. Employees' task achievement is the priority of this culture. The next sub heading will focus specifically on the trend of task achievement, which has become the culture itself.

2.2.8 Task/Achievement Culture

The main characteristic of this culture is to focus on the task that needs to be achieved. This culture is also based on team work. Employees in organisations with this culture are committed to achieve a specific task. According to other researchers this culture is not concerned with personal powers but with organisational goals²¹. The task that has to be

²⁰ Cartwright, S., Cooper, L. 1996. *Managing mergers, acquisition and strategic alliance* p. 67-68

²¹ Cartwright, S; Cooper, L. 1996. *Effective teamwork in the project management* P. 68

achieved is more significant than the personal or status power in organisation. The main focus is based on the effectiveness of the task. This also means that task efficiency is the main priority of this culture. Task achievement may also be understood and interpreted as the primary focus of this culture. The literature has suggested that this culture values the needs of an organisation highly²². Organisations that adopt this culture are particularly driven by the desire to achieve the target goals. This culture encourages team work and individual dedication and the commitment of employees. Since all these types of cultures are particularly driven by certain desires they emerge in organisations based on various individual skills and circumstances. A culture develops as a result of trends and characteristics. The next section will further elaborate on the formation and emergence of organisational culture.

2.3 Formation of Organisational Culture

The afore-mentioned cultures have emerged through certain organisational approaches. The formation of culture could be based on interaction and cooperation of employees within an organisation. The literature has identified this interaction as a natural socio-dynamic approach²³. Other researchers have revealed that this interaction may be with peers, supervisors, and with senior co-workers²⁴. This may be interpreted as vital in assisting new employees to be more effective. This interaction also facilitates the sharing of ideas among employees. The literature states that individual interaction in response to a particular situation may bring agreement. It also states that culture begins with group formation, group work and group building²⁵. Consequently this group engagement and agreement becomes a culture. Individual engagement in organisational processes gives birth to multiple collective ideas. These ideas serve as the foundation in which an agreement can be reached and ultimately become a culture. Some writers have expressed that cultural formation is based on various sources²⁵. These sources have been labelled as

²² Handy, C. 1993. *Understanding organisations* p. 111

²³ Mora, E.T. 1992. *The cultural approach to the formation of organisational climate* p. 19-47

²⁴ Schein, E.D. 1992. *Organisational culture and leadership* p. 211

²⁵ Holbeche, L. 2005. *The high performance organisation* p. 37-39

beliefs, values, and assumptions of organisational founders²⁵. Other sources include the learning experience of group members as their organisation evolves. The literature further states that these sources include the values and assumptions of new members and leaders²⁵. The interpretation of this is that cultural formation gradually develops as organisational employees engage each other in organisational activities. This may be also viewed as the construction process whereby individuals share their experience regarding particular events. Despite the preponderance of certain elements, cultural constructions especially in merger context also evolve as a result of individual collaboration. In most cases it begins as a relatively simple idea of an individual²⁶. It is also constructed by placing ideas into perspective. The integration of multiple ideas ultimately provides direction and vision. When this idea is explored and embraced by other people, it develops into a particular climate in the organisation. This idea develops and grows until it becomes popular in the entire organisation. These ideas are usually instilled by the senior management who pave the way for cultural formation²⁶. However it may be argued that culture does not normally begin at senior level.

The culture of an organisation could be formed by building relationships and trust among employees and management. For example a unit or division may initiate its own culture. This divisional initiation has led to the formation of subcultures. This could occur at any level despite the intention and intervention of the management. The appropriateness of culture which has emerged through individual interaction is determined by personalities of individuals. Concerning personalities, other researchers have viewed it in terms of certain factors²⁷. These factors are *Characteristics of people within organization* and *Organizational ethics*²⁸. Organisations attract and retain individuals who possess similar and required characteristics. They recruit individuals who demonstrate elements that will embrace the views of the management. This may be performed in order to avoid the defying elements. Organisational ethics is another factor, which is considered as the

25 Holbeche, L. 2005. *The high performance organisation* p. 37-39

26 Schein, E.D. 1986. *What you need to know about Organisational culture* p. 30-31

27 Jordan, T. Ann. 1996. *Critical incident story creation and culture*. p. 27-35

28 Fletcher, R., Fang, T. 2006. *Assessing the impact of culture on relationship* p. 430-446

element of cultural formation. This factor acts as a tool that shapes and guides the organisation. Organisational ethics assist to instill the behaviour of individuals. This reveals that cultural formation is also derived from the personality and beliefs of individuals. They both assist in determining the type and the ability of culture. Organisational culture is formed on the bases of individual characteristics and different personalities and beliefs. In the context of academic mergers, cultural formation may become a complex dimension.

In a merger situation cultural formation should represent all relevant parties²⁹. This may assist facilitating the compliance and acceptance of the newly formed culture. In the merger context some researchers have described cultural formation as the movement³⁰. This movement may be viewed as a shift from the current state of affairs to the future state. Future state affairs may determine the success and capabilities of the new culture. Individuals have to abandon their familiar processes and be engaged with individuals from diverse backgrounds. When organisational culture has been formed, it brings a challenge of understanding to other members. This usually occurs with members who have recently joined the organisation. It also becomes an obstacle to individuals who have not been engaged at the initial process. In order for employees to understand the newly formed culture the literature states that culture is divided into certain levels³¹. Most organisations are facing the challenge of understanding and identifying their culture. Regarding this challenge some writers have categorised culture into three levels³². These levels facilitate an easy understanding of an organisational culture. The following section will further elaborate on these levels of organisational culture.

²⁹ Riad, S. 2007. *Of mergers and cultures* p. 26-43

³⁰ Bolon, D. S. 1994. *A reconceptualisation and analysis of Organisational culture*. p. 22-27

³¹ Schein, E. D. 1985. *Organisational culture and leadership* p. 86-105

³² Schein, E. D. 1993. *On dialogue, culture and Organisational learning* p. 40-51

2.4 Levels of Organisational Culture

According to the theory culture has been divided into three levels³³. The objective of these levels is to facilitate a clear understanding of culture. These levels may also be interpreted as an induction process to new employees in organisations. They are measured according to tangible and intangible aspects of culture³³. They are identified by looking at individual behaviour and organisational strategies. These levels have been identified as *Artifacts Level*, *Espoused* and *Actual Value Level* as well as *Basic Underlying Assumptions*^{33, 34}.

2.4.1 Artifacts Level

The artifacts level has been described as the level where most organisational cultural aspects are tangible and visible. In other words this level includes physical elements for example infrastructures and architecture. It has been stated that the artifacts level may also include stories, myths practices, rituals and ceremonies³⁵. These practices enable individuals to understand the organisational occurrences. It may be further elaborated that they also facilitate the sharing of critical incidents in an organisation. An organisation may celebrate certain great achievements which may serve as a platform to share organisational memories. These organisational events allow and enable individuals to understand organisational culture. New employees in organisations are enlightened by these events and so become familiar with the culture of the organisation. Social events or gatherings of the organisation are crucial to the understanding of organisational occurrences. The artifacts level is considered as the first step towards organisational cultural understanding. The second level is the core aspect of organisational culture, which employees are expected to embrace. The second level is the *Espoused and Actual Value Level*.

³³ Schein, E. D. 1992. *Organisational culture and leadership* p. 17

³⁴ Francesco & Gold, 2005. *International organisational behaviour* p. 261-262

³⁵ Bright, K., Cooper, L. 1993. *Organisational culture and the management of quality* p. 21-27

2.4.2 Espoused and Actual Value Level

Espoused values may be understood as conscious strategies and goals of the organisation. This particularly concerns the management of an organisation. The literature reveals that this level expresses the formal part of an organisation³⁶ which refers to the fundamental aspect of organisation. This includes systems, procedures, structure and management. This level focuses on the executive's mission that needs to be achieved. Some researchers have further stated that management announces values and principles that have to be targeted and accomplished³⁷. This level may also be understood as the shared value level.

Employees may probably understand organisational culture by sharing their values. Some researchers have argued that espoused values level may not reflect the reality of what has been announced by the management³⁸. This may be vindicated by referring to government spheres where officials announce the espouse value of serving people and ultimately act on a different set of value. In contrast to espoused level where the focus is on the reality of the espoused level, the Actual Level reiterates what has been set to achieve. It stresses the demonstration and implementation of what has been announced at the espoused level. Therefore the actual value level tests and reveals the reality of the espoused value level. Espoused and Actual Value levels assist individuals in understanding the culture by directing the focus to what needs to be achieved. This level equips employees to achieve target goals. The focus of this level is on the implementation of organisational processes. Regarding this level an organisation may need to consider certain individual basic underlying assumptions. Basic Underlying Assumption is another level, which forms part of individual beliefs and attitudes. This level of Basic Underlying Assumption will be explored in the next section.

³⁶ Schein, E. D. 1992. *Organisational culture and leadership* p. 210-230

³⁷ George, J.M., Jones, G. R. 1996. *Understanding and managing Organisational behaviour* p. 40

³⁸ French, W. L., Bell, C.H. 1984. *Organisational development* p. 45

2.4.3 Basic Underlying Assumptions

This level of organisational culture forms part of an intangible aspect of culture. The assumptions may not be easy to understand. They exist at an unconscious level of individuals. These assumptions provide an understanding of the way in which things occur in an organisation. Other researchers have described these assumptions as informal organisation³⁹. Informal organisation refers to values, behaviour, norms, attitudes and beliefs. Basic underlying assumptions emerge through a complex process of cultural integration including socialisation. This level assists individuals in understanding the proceedings of the organisation by socialising and understanding different individual values. The literature has explained this level as unconscious beliefs and values, which structure individual perceptions⁴⁰. It attempts to integrate individual diverse values by creating a sharing platform. In this manner employees get to know and understand each others' beliefs. These levels can also be illustrated in terms of Schein's model below.

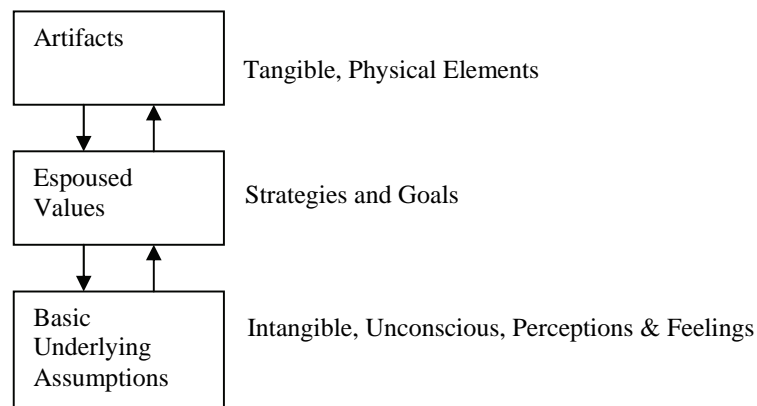


Figure 2.1 - Organisational Culture Model

Source: Schein, E.D. 1993 p. 80

Concerning this model, some researchers have expressed their concern about the relationship between these levels. The concern is based on the fact that this model does not further clarify the existence of the relationship between these levels⁴¹. To elaborate

³⁹ Francesco & Gold, 2005. *International organisational behaviour* p. 261-262

⁴⁰ Schein, E. D. 1993. *On dialogue, culture and organisational learning* p. 40-45

⁴¹ Harris, L. C. 1998. *A three perspective approach to understanding culture* p. 104-123

on this it may be argued that there could be existing relationship between these levels. The interpretation of this can be based on the artifacts level. Social events that take place at the artifacts level where individuals share stories, myths and ceremonies may assist in integrating individual views. Individuals may share the same views concerning organisational processes for example at the espoused value level. Embracing of organisational strategies and goals by individuals could be triggered by social events occurring at the artifacts level. Therefore, this highlights the existence of the relationship between artifacts and espoused value level. This relationship is facilitated by rituals, myths stories, practices and ceremonies that occur in the organisation. Another relationship could be identified between Basic Underlying Assumption and Artifacts level.

Employees might possess the same beliefs, values, norms and perceptions about particular organisational processes. This could possibly lead to successful organisational strategies. This could also be attributed to organisational social gatherings at artifacts level. The relationship between these levels could be identified by organisational stability. Non-resistance of individual and consistent production could be interpreted as a symbol of relationship between these levels. This approach could facilitate an understanding of the cultural level and further provide an insight to organisation. This could occur in organisations that have recently merged, particularly in HEI. The stability in HEI may also be interpreted as employees' cultural appreciation and understanding of certain cultural aspects. Employee cooperation based on possessing the same beliefs, views, and perception could strengthen organisational culture role. Some researchers have viewed basic underlying assumptions at cultural level in different ways⁴². This level has been categorised into individual and groups intangible cultural aspects⁴². The interpretation of these aspects is that the assumption of people as individuals is more related to individual personal growth. When individuals join the organisation they expect to develop and grow within the organisation. Their desire is to be more useful and be supported by the environment. Individual assumption is also based on the fact that their

⁴² Rashid, Z. A. 2004. *The influence of organisational culture* p. 161-179

status is recognised and their input is highly valued. In contrast to this the assumption of people as groups involves collaborative efforts of facilitating group culture. Members of groups in organisations play a significant role particularly in projects. They desire to be complimented by the management. Most organisations prefer to design their structures in teams or groups. The employees' assumptions can be understood as individuals and as groups. This level of organisational culture focuses specifically on the perceptions of individuals. This is one of the reasons it is labelled as intangible cultural aspect. Individual and group perception plays a certain role in organisational cultural functions. These levels determine the functions of organisational culture. The effective function of organisational culture can be based on the positive assumptions of employees concerning tangible and intangible cultural aspects. The following section will further discuss the role and functions of organisational culture among the employees.

2.5 Functions of Organisational Culture

Organisational culture performs various functions in organisations. It plays a crucial role in uniting employees. It also brings employees together for example in various divisions by means of subcultures. Some researchers have revealed that it contributes to achieving satisfactory results and individual commitment⁴³. It has also been indicated that it provides a sense of identity⁴³. This ensures collective efforts by individuals. It also contributes to an organisational objective achievement by bringing employees together. The literature states that organisational culture serves as a guiding factor when performing certain tasks⁴⁴. To further elaborate on the guiding factor, it may be expressed that it provides clarity within various tasks. In the midst of uncertainty and confusion culture functions as a great source of high reliability. It clarifies and directs individuals to various ways in which tasks could be performed. It socialises new employees into a certain parts of organisation.

⁴³ Hartmann, A. 2006. *The role of organisational culture in motivating innovative behavior* p. 159-172

⁴⁴ Shivers-Blackwell, S. 2006. *The influence of organisational structure & culture* p. 29

Other researchers expressed similar sentiments that it functions as a social control mechanism⁴⁵. Regarding control mechanisms, it can be stated that culture controls and influences the behaviour of individuals. Another function of organisational culture which is considered to be more significant is the facilitation of innovation. Organisational culture encourages employees to be more innovative⁴⁶. Innovation as shown by the literature stems from individual motivation and management⁴⁶. It may be argued that motivating individuals cannot be fully achieved by instilling management ideas in individuals. Motivation in this context should also consider internal and external environment forces. Some writers state that internal and external forces around the organisation may positively and negatively impact the performance of individuals⁴⁷. The environmental forces play a key role in employees' performance. Innovative behaviour and motivation of employees can generate more individual commitment. This may ultimately create a sense of belonging in employees. The interpretation of this function is that it facilitates individual involvement toward the attainment of objectives. The role of organisational culture is to allow employees to express their ideas about certain organisational activities.

Another function of organisational culture is to distinguish the employees of organisations from one another⁴⁸. Employees are differentiated from other organisations based on their beliefs. This may also be attributed to organisational values. Employees are united by what they believe and perceive to be the correct direction for their target. Their beliefs and action assist in identifying and distinguishing them from other organisations. Organisational culture also demonstrates employees' collective efforts. This in turn facilitates organisational unity. Culture influences the individual to adapt to organisational views. Other writers have stated that culture also influences and shapes the use of organisational leader behaviours⁴⁹.

45 Cartwright, S., Cooper, L. 1993. *The role of culture compatibility* p. 57

46 Visagie, C. J. 2005. *The influence of affirmative action on SMME culture* p. 148-162

47 Lodorfos, G. 2006. *The role of culture in the merger and acquisition* p. 1405-21

48 Kilmann, R. H. 1986. *Issues in understanding and changing culture* p. 87-94

49 Kyriakidou, O. 2005. *Leading by example* p. 39-52

The behaviour of leadership contributes to cultural functions to the extent that it influences individuals. In a sense organisational leadership behaviour is conspicuous to individuals. In some instances leaders' behaviour may impede or induce employees' and organisational goals. This may present the challenge of integrating individual views. Integration is another dimension which contributes to orchestrating proper functions. For organisational culture to function properly, it also depends on the integration strategies. In order to uplift the performance of organisational culture, it is vital to integrate employees' beliefs and views. It is essential for organisations to consider the methods of integrating culture. Therefore, the integration of organisational culture will be explicated under the following heading.

2.6 Organisational culture Integration

The integration of organisational culture mainly occurs in mergers. It is perceived to be the strategy for reducing human diversity, particularly in mergers. This aspect may bedevil the merger if it is not properly considered. The integration of culture, especially in mergers, seems to be of critical significance to organisations. This has also been identified as the combination of various organisational aspects⁵⁰. This combination of organisational aspects plays a significant role in creating unity in mergers. This practice serves to pre-empt the quagmire that may arise due to diversity. Other researchers have stated that it serves to formulate unique direction⁵¹. The integration of various organisational aspects assists in directing individuals to formulate new roles. It also facilitates the achievements of common goals. Cultural integration in organisations attempts to achieve the optimum organisational performance. The success of this practice might be based on a number of factors which have been labelled as individual values and beliefs⁵². The interpretation of this is that it might become a predicament for employees with strong beliefs and values to adapt. This could also be exacerbated by the physical distance between parties involved. An organisation may be extricated from the

⁵⁰ Adler, R.B. 1992. *Communicating at work: principles and practices for business* p. 7-30

⁵¹ Bijlsma-Frankema, K. 2001. *On managing cultural integration* p. 192-207

⁵² Kenney, J. L. 2006. *Knowledge integration in organisation* p. 43-58

catastrophe by focusing on certain integration factors. Kenney, J. L. (2006) has identified these factors as *Shared Vision, Communication, and Involvement*⁵².

- *Shared Vision*

The formulation of shared vision is considered as the first step in integrating the culture of an organisation. Shared vision acts as a framework in the creation of a single cohesive organisation. It instills a congruent environment and gradually enables individuals to ultimately fit into organisation. Shared vision has also been identified as the factor that influences individuals to share the same perception⁵³ which aligns individual views with organisational corporate beliefs. The success of this factor relies on effective communication as it also focuses on the external environment. In this context communication is identified as another integration factor.

- *Communication*

Communication is an essential factor for organisational success. Generally in various organisations, communication occurs as a means of directives or instructions. The literature has revealed that communication occurs from different directions⁵⁴. This may be explained as the bottom up and top down communication. Top down communication may be interpreted as instructions or directives from the top management to the employees. In contrast to this bottom up may be understood as feedback or report back from employees to the senior management. There may also be a flat communication which is interpreted as communication between the same levels of subordinates. For this factor to be effective there are various popular methods which could be applied. One useful method is through workshops which particularly in mergers enables employees to express their concern. Another method which is normally applied in facilitating communication is through seminars. These methods enable individuals to participate in

⁵² Kenney, J. L. 2006. *Knowledge integration in organisation* p. 43-58

⁵³ Seymen, O.A. 2006. *The cultural diversity phenomenon in organisation* p. 296-315

⁵⁴ Schraeder, M., Self, D.R. 2003. *Enhancing the success of mergers and acquisitions* p. 511-522

an attempt to integrate the culture of an organisation. Other researchers have also emphasised the utilisation of technology as a means of communication⁵⁴ in the form email and the intranet. Communication is crucial during merger processes as it informs employees about various developments during the merger. Some researchers have stated that during a merger process, communication facilitates wide coverage of consultation⁵⁴. This may also be referred to as an extensive invitation of the involved parties in the merger. Communication may be specified as external or internal. External communication involves stakeholders and customers. This communication particularly occurs in mergers due to complexity. In contrast to this internal communication refers to employees within the organization. This communication takes place between members of the organisation, for example in departmental meetings. The significance of this is that it encourages the involvement of individuals in integration processes. The involvement of employees is another factor which plays a crucial role in maintaining organisational stability.

- *Involvement*

Concerning the involvement factor the literature states that employees must feel involved in the change process⁵⁴. It further emphasises the direct and indirect involvement of employees⁵⁴. This factor enables individuals to feel that they are more useful and important in the organisation's merger processes. This factor facilitates the commitment of employees in the integration process as individuals are likely to be committed to any changes if they have participated in the process. It also assists the merged organisation to pre-empt future resistance of employees. Regarding these factors, some researchers have expressed that such processes are insufficient for the effective cultural integration in academic institutions⁵⁵. This clearly highlights the fact that academic mergers are characterised by complexity. Therefore there are various factors which could play a crucial role in integrating the culture of the merged organisation. Shared vision, communication, and involvement factors serve as the foundation for cultural integration.

⁵⁴ Schraeder, M., Self, D.R. 2003. *Enhancing the success of mergers and acquisitions* p. 511-522

⁵⁵ Schneider, W.E. 2000. *Why good management ideas fail* p. 24-29

The subsequent section will further explore core factors to be considered when integrating culture into the organisation.

2.7 Some Specific Factors of Cultural Integration

On numerous occasions cultural integration is viewed as an element of uniting different organisational aspects. This unification of diverse aspects requires the consideration of certain factors. These factors might serve as the platform on which the integration could be based. There are, however no prescribed or standardised principles of integrating culture that can be pursued since this practice depends entirely on the preferred approach of the concern organisation. In this context the theory has suggested some critical factors which could be appropriate in the integration process⁵⁶. These factors have been identified as *Strong Leadership, High Aspiration Level, Shared Performance Culture, Legitimisation and Psychological Safety*⁵⁶. These factors may be expressed to the extent that they focus on the expression of human intellectual capital. The literature has indicated that their intent is based on individual participation towards the achievement of goals⁵⁶. The interpretation of this is that they focus on internal environment issues of the organization while neglecting to simultaneously take into consideration the external environment issues. That is why perhaps the literature reveals that focusing on internal issues is the initial step towards the success of cultural integration⁵⁷. These factors will be further explored with the purpose of determining their role and strength in the merger context.

2.7.1 Strong Leadership

This factor correlates with the previously discussed shared vision factor where leadership is responsible for identifying the vision of the merged institution. The effects of strong leadership in cultural integration play a key role in directing the integration process. This factor determines and contemplates the decisions to be taken. Further significance of this

⁵⁶ Cartwright, S. Cooper, L. 1996. *Effective teamwork in the project management* p. 37-55

⁵⁷ Cartwright, S. Cooper, L. 1995. *The human effects of mergers and acquisition* p. 47-61

factor is that it acts as an instrument in pursuing relevant procedures. Establishing relevant procedures with the involvement of concerned individuals may lead to congruous relationship with employees⁵⁸. The positive consequence of this might result in harmonious relationships within the organisation. The success of this factor to achieve optimum results is also based on the relentless efforts of leadership⁵⁸. In this regard leadership needs to persist in motivating individual commitment. Another key role of strong leadership is to revoke the negative perception and the fallacy of individuals in the merger context. This articulates the fact that leadership should always attempt to involve employees in the integration processes. In this regard employees are urged to set and achieve ambitions and high aspirations.

2.7.2 High Aspiration Level

The major concern of this factor is to focus on the resources and the skills of individuals. It urges employees to fully participate in resource sharing. They are also encouraged to set high ambitious goals and principles to achieve those goals⁵⁹ making them more active in setting targets achieved through the collaboration and communication of individuals through resource sharing. The High Aspiration factor orchestrates the integration process by emphasising interaction and individual input. Some writers have stated that this factor assists in motivating employees to participate in various aspects⁵⁹. They are motivated to contribute to group collective efforts in obtaining the organisational goals. This collective engagement of employees results in the creation of a common understanding of individuals within the merged organisation. This also leads to the shared performance which ultimately becomes another factor in integrating organisational culture.

2.7.3 Shared Performance Culture

This factor assists the organisation to overcome cultural barriers. It seeks to attain organisational goals through collaboration. The involvement of employees in various processes is highly emphasised. Shared performance culture correlates with the

⁵⁸ Galpin, T.J., Herndon, M. 2000. *The complete guide to mergers and acquisition* p. 80-86

⁵⁹ Gerhard, P. 2002. *Handbook of international mergers and acquisition* p. 273-332

involvement factor, which has been previously discussed. The emphasis of this factor is based on collectivism rather than individualism⁵⁸. This creates the impression that the formation of shared performance culture can assist in the creation of organisational identity. It may be further interpreted that this factor serves as the basis for strategic direction. Some writers argue that this factor is always ignored during initial stages of the merger⁵⁸ as mergers in most cases are designed with financial aspects as priority. The role of this factor is not immediately recognised. The absence of this factor may imperil the organisation. Various researchers have expressed the opinion that mergers fail due to the insufficiency of cultural integration methods⁵⁹. The necessity of these factors presents the common base for a successful cultural integration. The above discussed factors will be further illustrated in the following diagram.

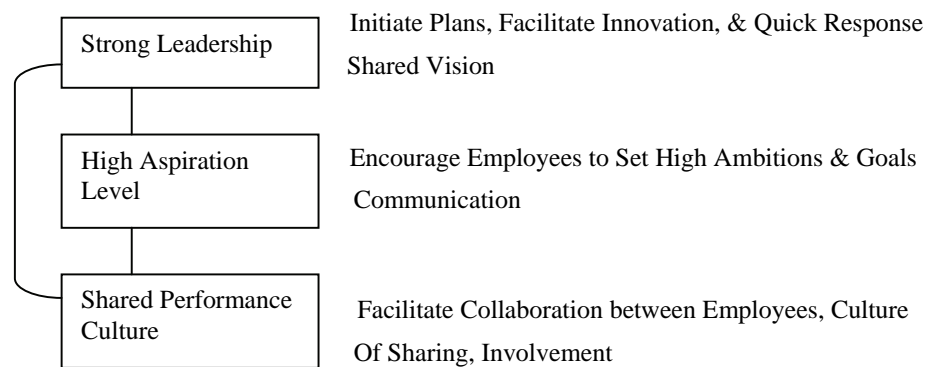


Figure 2.2 - Cultural Integration Factors

Source: Gerhard, P. 2002 p. 273

The factors discussed above correlate with each other. In this context the synthesis can be drawn between strong leadership and shared vision factor. Another synthesis can be identified between High Aspiration Level and Communication factor. The final correlation exists between Shared Performance and Involvement. The combination of these factors is likely to enhance the integration of culture in the merged organisation⁵⁹. This may be argued by questioning the capacity of individual participation in the entire

⁵⁸ Galpin, T.J., Herndon, M. 2000. *The complete guide to mergers and acquisition* p. 80-86

⁵⁹ Gerhard, P. 2002. *Handbook of international mergers and acquisition* p. 273-332

process as well as the level of individual input. This may be exemplified by referring to leadership and shared vision creation. In this context individuals from the lower level positions may not be invited to the formation of organisation vision. The literature reveals that the role of individuals to participate in certain structures is determined by their level within an organisation⁶⁰. In other words individuals' influence is based on their positions in the merger process. Some individuals may feel threatened to express their views. This creates another factor, which requires consideration in terms of individual psychological safety. Individual psychological concerns may lead to the emergence of an inferiority complex in the lower level in organisation. This inferiority complex issue may be prevented by emphasising the significance of individual contribution. Individuals should feel important and be engaged in every aspect of the merger integration. This can also create a sense of belonging and ownership. This highlights another factor namely Legitimation and Psychological safety factor.

2.7.4 Legitimation and Psychological Safety Factor

The literature has referred to legitimation as the explanation by authorities about their chosen decisions. The leadership is expected to explain why they think the old way of doing things is no longer sufficient⁶¹. In this instance these factors attempt to ease and revoke the employees' concerns that might create negative perceptions. Regarding legitimation leadership contemplates the individual input and explicates their contribution. In this instance the psychological safety factor involves employees' security. Other researchers have revealed that it facilitates and encourages individuals to express their views⁶². Legitimation and psychological safety factor emphasises the fact that employees must not feel insecure or threatened when voicing their concerns. It further states that individuals must feel safe to try out new things without fear of punishment or loss of employment. Individuals need to be active in making suggestions

⁶⁰ Miller, R. 2000. *Strategic response: the impact of culture in mergers* p. 1-2

⁶¹ Valention, C. L. 2004. *The role of middle managers in the transmission* p. 393-404

⁶² Hill, S. 1998. *Overcoming cultural barriers to change* p. 6-12

that concern their employment in mergers. This individual expression and collaboration ultimately results in the creation of corporate culture in mergers.

2.8 Corporate Culture in Mergers

Corporate culture in mergers may be viewed as the strategy that executes the stability in the merged organisation. The literature has identified it as the management tool that seeks to control and to achieve organisational goals⁶³. Other writers have viewed corporate culture as an organisational social convention⁶⁴. Some have referred to it as the assumptions that determine the behaviour of employees in the entire organisation⁶⁵. This could be interpreted as the system that facilitates the organisational achievement through employee collaboration. Corporate culture can also be identified as the dimension in which merged institutions are in pursuit of post-merger directions. It is the procedure that seeks the involvement of individual participation in establishing new processes in mergers. The contribution of corporate culture towards organisational success relies on the maximum effort of individual input.

When the two institutions are integrated into one, their former cultures dissolve and a corporate culture emerges. Merged organisations corporately develop new policies and strategies. However, in some instances the most powerful institution could impose their culture in the merger. This might be executed because some organisations are more resourced than their counterparts. The literature further states that some institutions determine whether to proceed with existing policies or to formulate new ones⁶⁶. In various cases, institutions prefer to corporately formulate a new culture based on their vision. This has been evident in the case of UKZN where the Faculty of Education established new policies, which are recorded in their faculty handbook. It may be further highlighted that the existence of corporate culture cannot guarantee the success of the

⁶³ Sackmann, S. A. 1997. *Cultural complexity in organisation* p. 190-191

⁶⁴ Schoenberg, E. 1997. *The cultural crisis of the firm* p. 116-117

⁶⁵ Hampden-Turner, C. 1990. *Creating corporate culture* p. 2

⁶⁶ Reese, K. 1990. *Company goals and organisational structure* p. 26

merger. According to some researchers the success of corporate culture is based on certain principles. These principles are *the willingness of individuals to cooperate with others, Readiness to act jointly, Open Communication*⁶⁷. This clearly demonstrates that corporate culture relies on individual adaptation and integration in mergers. The success of these principles could be further determined by the structure of an organisation. For instance some individuals could effectively cooperate in a structured team organisation. This further reveals that corporate culture in a merger context requires strong leadership for proper integration. Some writers have expressed that this leadership could face challenges regarding the formulation of corporate culture⁶⁷. One of these predicaments could be the establishment of a single-minded post-merger institution. Another challenge could be identified as the independent variable. This may be associated with individual behaviour and diversity. Higher Education Institutions engaged in mergers are particularly experiencing these challenges. Other researchers have identified high skills as the sources of diversity⁶⁸. This may be viewed as the rich experience possessed by individuals who have high skills. Individuals with diverse experience and skills express their preferences and strategies. Their expression could be based on their beliefs, norms, values, and assumptions. These challenges can therefore be resolved through the management intervention by focusing on certain factors of corporate culture. Specific factors of corporate culture will be discussed under the following section.

2.9 Some Specific Factors of Corporate Culture

Corporate culture is influenced by a number of factors. These factors are associated with individual behaviour. The literature has identified them as *Attitude and Beliefs, Values, Norms, and Assumptions*⁶⁸. These factors present the combination of individual characteristics. Their contribution is vital as they determine the strength and weakness of corporate culture as individuals possess different values, norms and beliefs. This may present certain effects, either positive or negative, in the success of corporate culture in mergers. These factors seek to unite diverse individual characteristics. The formation of

⁶⁷ Sobczak, A. 2006. *The impact of higher education on students and young managers* p. 463

⁶⁸ Weber, Y. 1996. *Corporate cultural fit and performance in mergers and acquisition*. p. 1181

effective corporate culture in the merger context may depend on the positive adaptation and willingness of individuals. The following section shall further explore each of these factors.

2.9.1 Attitude and Beliefs Factors

Attitudes and beliefs serve as the primary ingredients of corporate culture in organisational mergers. They are viewed as the foundation for an effective corporate culture. They severely impact the success and failure of the corporate culture. These factors originate in individuals. They exist at the conscious level of individuals. They have been also referred to as the unwritten rules of the organisation^{69, 70}. Even though they are unwritten rules, most organisations expect them to be in line with formal written rules. According to the literature, the effectiveness of corporate action is manifested in a form of these factors⁷¹. Their role is to mobilise the collaboration and motivation of employees towards the same direction. The sharing of similar sentiments of individuals plays a crucial role in perpetuating the positive perception about various instances. It has been indicated by some writers that management plays a persuasive role in initiating similar sentiments among the employees⁷². The persuasive role might be based on the recruitment procedure. This could occur by means of selecting individuals who share the views of an organisation. It may also be argued that changing individual beliefs and attitude might be a delicate process. The success depends on how strong and weak their attitudes and beliefs are. Based on individual experience it might also become a tedious process to achieve. Nevertheless these factors emphasise the conscious unity between individual employees and the management. This relation based on having the same attitude and beliefs can still be further deepened by engaging in Values, Norms, and Assumptions.

⁶⁹ Weber, Y. 1996. *National and corporate cultural fit in mergers and acquisitions* p. 1215

⁷⁰ Weber, Y. 1996. *Corporate cultural fit and performance in mergers and acquisition*. p. 1181

⁷¹ Weick, K.E. 1987. *Organisational culture as a source of high reliability* p. 112-127

⁷² Shivers-Blackwell, S 2006. *The influence of perceptions of organisational structure & culture* p. 27-49

2.9.2 Values, Norms, and Assumptions Factor

Corporate culture is characterised by the existence of these factors among the employees of an organisation. They reflect the behaviour of the management. They are based on the personality of the organisational leadership. Values, Norms, and Assumptions of the top management have the capability to influence the corporate culture. They express and govern the behaviour of individuals. The visibility of these factors could invigorate individuals who might be reluctant to cooperate. They serve as the guiding method or principle, which can be utilised by individuals⁷³. This guiding method can be further used to determine certain kinds of behaviour and situations that are suitable for an organisation. Furthermore, they indicate an expression of the management in a practical approach rather than a theoretical manner. It has also been revealed that there is an interrelationship, which could be influential in human aspects^{74, 75}. The interrelationship exists between Leadership's understanding of the organisational context and their character role. This can be further interpreted as a role-model situation, in which the management demonstrates role-model behaviour.

The role-model behaviour can also be explained as unwritten standards of behaviour which is acceptable for a particular group of people. For example the norm factor is considered to be the practice in which new employees learn what behaviour is expected in an organisation. The management demonstrates behaviour based on certain values and norms with the intention of inspiring individuals to adapt. Employees are expected to adapt these values and norms from the top level of an organisation. This approach can further contribute to the reduction of diversity and conflict in HEI. However, in this context structure plays a fundamental role in enabling individuals to fit into organisational structures in order to be effective. Corporate culture needs to be supported by an effective structure.

⁷³ Jandeska, K.E. 2005. *Women's perceptions of organisational culture, work attitudes* p. 27-49

⁷⁴ Weber, Y. 1996. *Corporate cultural fit and performance in mergers and acquisition* p. 1181

⁷⁵ Weber, Y. 1996. *National and corporate cultural fit in mergers and acquisition* p. 1215

2.10 Conclusion

The intention of this chapter was to highlight some crucial issues that need to be considered when HEI institutions merge. This chapter has indicated that organisational culture plays a vital role in reducing conflict in mergers. Organisational culture serves as the foundation and the strategy to create unity among HEI mergers. Culture in mergers plays a persuasive role that facilitates cooperation between individuals and management. Cultural aspects such as organisational norms influence individuals to adapt to new processes. These norms assist the organisation to instill the required behaviour among individuals.

Organisational culture further involves the participation of individuals in areas which could negatively affect their operations. This seeks to avoid the resistance of employees at the post-merger level. The discussed theory reveals that culture in HEI allows individuals to create the relevant culture that could integrate specific aspects in a particular department. This chapter has also revealed that culture in HEI originates in individuals' characteristics, for example beliefs, values and assumptions. Due to individual characteristics, various cultures could exist in the HEI fraternity. Complexity in Higher Education could also result in the emergence of different cultures in various departments. For example Academy culture and Subcultures could be initiated in some departments. This chapter has therefore highlighted the fact that mergers should consider the capabilities of human variability if the merger is to be successful. The following chapter will discuss the role of organisational structure in mergers.

Chapter 3

Organisational Structure

3. Introduction

This chapter will discuss the impact of organisational structure in the context of Higher Education mergers. The objective is to delineate the influence and significance of structure in the merging organisation. The effects of different structural elements and various types of structures will be explored. This chapter will firstly define the concept of organisational structure.

3.1 Definition of Organisational Structure

In the context of HEIs involved mergers, organisational structure has been defined in various ways. This concept has been described as a system of task reporting and authority relationship within which the institution carries out its work⁷⁶. Other writers have referred to organisational structure as the manner in which tasks are formally divided, grouped and coordinated⁷⁷. The interpretation of these definitions reveals that organisational structure is divided into two aspects. Firstly, it is an organisational hierarchy that consists of authorities. Secondly, it is the manner in which a task is designed according to specialty. Regarding the task division, it may be an internal and external task. External could refer to institutional stakeholders or organisational suppliers while internal refer to production and processing. In this context organisational structure may be viewed as the process of directing and controlling internal and external organisational procedures. Organisational structure is the body that is responsible for the decision making process of an organisation. This decision making process could be in the form of rules and policies⁷⁷. The organisational hierarchy or task division approach may result in a specific type of organisational structure. The following section will further explore these types of organisational structures.

⁷⁶ Moorhead, G. 2004. *Organisational behaviour, managing people and organisation* p. 431

⁷⁷ Robbins, S. P. 2003. *Organisational behaviour* p. 426

3.2 Different Types of Organisational Structures

Different types of organisational structures in the merger of HEI may arise as a result of organisational or academic department design. Structures evolve according to the needs, task and functions of the organisations. The emergence of these structures is also facilitated by different strategies adopted by the management. These structures are selected according to the objectives of internal and external procedures of an organisation. Some structures evolve as a result of the internal and external environment. It may be further expressed that an appropriate structure depends on the environment and skills of employees. This may be viewed in the light of mechanistic and organic structures.

3.2.1 Mechanistic and Organic Structures

These structures may be distinguished by the approach which is adopted by the management towards the organisation. They represent the design of an organisation. The literature reveals that the structure is designed to persuade employees to execute their tasks according to a standardised format⁷⁸. For instance in the mechanistic structure, instructions and decisions are from the top management. The communication process flows from the senior management. Some researchers have noted that it is a one way communication from superior to subordinates⁷⁹. In most cases this occurs by means of rules and policies. The interpretation of this is that within a mechanistic structure, the decision making process is highly centralised. Mechanistic structure can also be referred to as the traditional design system. According to the theory a mechanistic structure is particularly characterised by goal-directed hierarchy⁸⁰. The mechanistic model is extremely reliant on a formal system of control. This structure is characterised by an extensive formalisation and departmentalisation. The relevancy and effectiveness of the mechanistic model may be debated. In the context of relevancy, the literature has revealed that the mechanistic structure may be more relevant and suitable in a stable

⁷⁸ Jones, G. R. 2004. *Organisational theory, design and change* p. 160-189

⁷⁹ Covin, J.G. 1989 *Strategic management of small firms* p. 75-87

⁸⁰ Shivers-Blackwell, S. 2006. *The influence of perceptions of organisational structure* p. 27-49

environment⁸⁰. This clearly indicates that some organisations find difficulty in relying on the capabilities of employees or individuals. Other researchers state that when the environment seems to be hostile, the mechanistic model takes preference⁸⁰. This action may be further challenged by the skills and competencies of individuals. This may occur when organisations have highly skilled individuals to carry out their task regardless of the inconsistent environment. The literature states that individuals may not be required to exercise their skills by making decisions⁸⁰. They are obliged to refer to the formal rules. The interpretation of this is that the organisation adopting the mechanistic structure does not trust individuals to make decisions under certain conditions. It may be further stated that under the mechanistic model rapid responses may not be required. The effectiveness of the mechanistic structure is based on the environment. This may be an internal or external environment.

In contrast there is the organic structure, which depends on cross hierarchical and functional terms. The literature reveals that the organic model is a decentralised structure⁸⁰ in which authority is shared among people in order to make decisions. Some writers state that the organic model is a two-way communication process⁸⁰. Active involvement by individuals is encouraged when it comes to decision making. The difference between organic and mechanistic can be identified through centralisation and decentralisation approach. Within the organic model, it is believed that information and advice should be the main priority instead of instruction and decisions. This encourages involvement and communication between individuals. The literature states that it relies heavily on the comprehensible information network between people⁸¹. This can be further viewed as the facilitation of innovation. Under the organic model, management believes that suggestions of employees contribute towards achieving organisational objectives. In the mechanistic model management believes that employees should be guided through formal procedures. Some researchers note that the primary objective of the organic model is to establish free enterprises⁸¹. This may be vindicated by

⁸⁰ Shivers-Blackwell, S. 2006. *The influence of perceptions of organisational structure* p. 27-49

⁸¹ Robbins, S. P. 2003. *Organisational behaviour* p. 425-440

management's desire to involve individuals in the decision process. The organic structure is designed for quick response to the needs of customers. The management of organic structure believes in close personal relationship with subordinates. According to the literature the organic structure proves to be more effective in changing environments⁸¹. In this context the skills and the experience of individuals could play a prominent role. It can be further interpreted that individuals are trusted to make appropriate decisions in an unpredictable environment. This structure can be associated with the environment of an organisation. This will be further revealed under section 4.4.1 when organisational environment is discussed as the factor of organisational structure. Both mechanistic and organic structures can be further illustrated through the following diagrams.

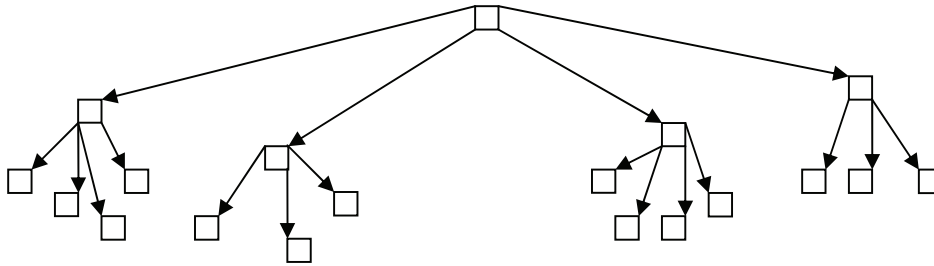


Figure 3.1 - Mechanistic Model Structure

Source: Robbins, S. P. 2003 p. 440

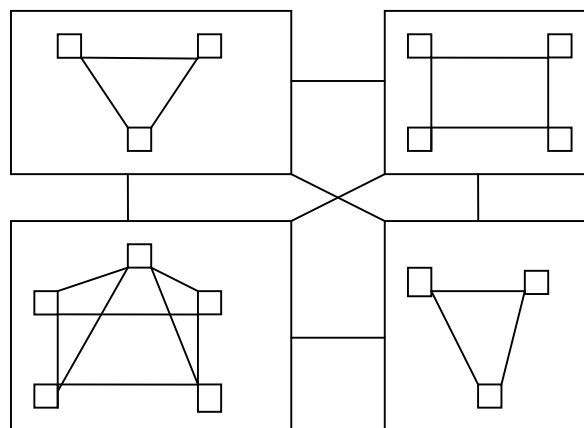


Figure 3.2 - Organic Model Structure

Source: Robbins, S.P. 2003 p. 440

⁸¹ Robbins, S. P. 2003. *Organisational behaviour* p. 425-440

The literature further states that individuals who possess the same skills can function more appropriately together regardless of certain situations⁸¹. This is likely to occur under the organic structure model. The cooperation which is based on specialty may result in another structure, which may be labelled as functional structure. The following section will further elaborate on this functional structure.

3.2.2 Functional Structure

This structure may be described as the structure that emphasises the significance of individual specialty. Functional structure is the ultimate result of cooperation of individuals who possess the same skills. The literature states that an organisation which adopts this structure tends to group employees into functional departments⁸². Employees combine their specialties in their division. This structure is particularly utilised by academic institutions. The literature has described this structure as the process whereby resources are shared within the department⁸². This may further increase the effectiveness of the department. The interpretation of this is that the functional structure is based on the common expertise and experience of individuals.

It may be further revealed that employees in this structure are allowed an opportunity to share and develop their skills. This structure enables employees to learn from each other. It is also revealed that functional structure focuses on the division of work according to various specialties⁸². This may be viewed as a structure that categorises tasks on the bases of individual skills. Organisations adopting this structure are likely to recruit individuals who are specialist in their field of work. Some researchers argue that this structure carries the potential to create competition with other divisions⁸². On the other hand, it may be viewed as the structure which carries the potential to effect changes. The vital aspect of this structure is that it leads to the creation of unity within the division. Employees are united because of the sharing of the same skills. In this regard the theory states that communication with other departments may be difficult⁸². This could be

⁸¹ Robbins, S. P. 2003. *Organisational behaviour* p. 425-440

⁸² Gibson, L. 2003. *Organisation, behaviour, structure, process* p. 335-345

challenged by the fact that organisational product can facilitate communication within an organisation. Regarding this some researchers express that product design and manufacturing process facilitate and encourage individual involvement of various divisions⁸³. This usually occurs when the organisation desires the participation of employees in producing the quality product⁸³. Therefore functional structure involves individuals with highly specialised skills. This structure ultimately leads to the formation of divisional product structure which will be discussed under the following section.

3.2.3 Divisional and Product Structure

The existence of this structure could be attributed to a functional structure. Product and division structure is explained as a set of support functions. The literature reveals that this structure provides the required support and services to different product lines⁸³. This could also be described as a product-based structure. This structure enables divisions to develop an impeccable product. In this context units are further divided according to the products being developed. The products are supported by middle managers within the organisation. In this regard other writers state that this structure emphasises the regrouping of a functional structure⁸³ where technical and production skills are redistributed to different relevant divisions. It has been also revealed that this structure is mainly utilised by organisations which deal with furniture making and food processors⁸³. This highlight the fact that some organisations adopt this structure due to the increase of product ranges they produce.

Divisional and Product structure indicates an extensive growth of the organisational product. Furthermore, this structure consists of the central support of the management responsible for functional specialties. This central support serves as the middle management. The literature reveals that this middle management focuses on teams of functional specialty⁸³. This means that teams cannot focus on their own support but on the central support. The central support may eventually lead to the emergence of another

⁸³ Jones, G.R. 2004. *Organisational theory, designed and change* p. 163-169

structure, as individuals from the middle management of various divisions are responsible for the support of divisional products. The grouping of these individuals might ultimately result in a team responsible for a specific product. The literature defines this group as a product team structure⁸³. These individuals come from various departments. In this context it could be expressed that an organisation can utilise their skills to design a specific product. The next section will elaborate on the importance of the *product team structure*.

3.2.4 Product Team Structure

Product team structure is the grouping of individuals responsible for various products from different divisions. It is the structure which comprises people from all functions of the organisations. The literature state that this structure involves specialists from different support functions⁸⁴. They come together to develop a specific product. This could be interpreted as an indication of individual willingness to participate in organisational product design. This group of specialists includes members from central support function of divisional product structure. According to other researchers this structure is also described as a cross interaction between various product divisions⁸⁴. This structure also serves as the central device to monitor and coordinate work activities. This is also where support functions are centralised. The major focus of this structure is on the product needs of clients. The interpretation of this is that central support specifically designs the special product to meet the demands of the clients. It may be highlighted that this structure exists only when there is a need for a special product. This special product may be required to be designed for a specific client. This requires the expertise of all central support. Other writers express concerns that this process may be slow due to the extensive communication or interaction of various divisions⁸⁵. Thus it may be argued that extensive communication may not be time consuming. This could occur only when the team comprises a small number of individuals. Furthermore, it may become a time consuming process when a team contains a huge number of

⁸³ Jones, G.R. 2004. *Organisational theory, designed and change* p. 163-169

⁸⁴ Fincham, R., Rhodes, P. 2005. *Principles of organisational behaviour* p. 60-74

⁸⁵ Bishop, S.K. 1999. *Cross-functional project teams in functionally aligned organisations* p. 6-12

representatives. This circumstance may also be determined by the communication and interaction methods. Concerning this the literature states that this structure adopts the decentralisation approach⁸⁵ which in this regard facilitates rapid decision making. Decentralisation assists in preventing delays in the process of approving new products. In the context of academic institutions product structure is referred to special programmes offered by the faculty. Some academic institutions design programmes with the purpose of meeting the challenges of the external environment. These programmes are designed with the aim of responding to the needs of customers. In this context the literature states that this process is likely to develop another structure⁸⁵ which has been identified as the matrix structure. The subsequent section will further explore the matrix structure.

3.2.5 Matrix Structure

The existence of this structure is attributed to product team structure. This structure is formed in response to organisational clients' demands. This structure is adopted due to increased demands of organisations' customers. Matrix structure is formed with the purpose of rapid response to meet the challenges of clients. Some writers state that this structure is formed by collecting individuals from various divisions of the organisation⁸⁶. Matrix structure can be identified and interpreted as a complex structure. It could also be stated that these individuals are selected to serve on the matrix on the bases of specific skills. Some writers have described this structure as the design that groups employees and resources together⁸⁶. Matrix structure is understood as the structure that creates dual lines of authority⁸⁶. This could be interpreted as bringing functions and product together. The function aspects draw specialists together. The matrix structure therefore facilitates the sharing of specialised resources. However, some researchers have expressed the concern that matrix brings the challenge of coordinating different diverse functional specialists.

⁸⁵ Bishop, S.K. 1999. *Cross-functional project teams in functionally aligned organisations* p. 6-12

⁸⁶ Robbins, S. P. 2003. *Organisational behaviour* p. 434-436

This concern further raises the question of success of this structure. In this regard other writers have also expressed that individuals in a matrix are urged to pursue common goals set by the organisation⁸⁷. Thus it may be concluded that the success of matrix is based on individual cooperation. Matrix structure depends on team work collaboration. It may be further argued that due to the challenge of coordination, certain projects may be delayed. This could be one of the obstacles facing the matrix structure. The literature further reveals that some projects may not be completed on time and within the budget⁸⁷. Despite these obstacles matrix could be an appropriate structure for academic institutions. With this concern in mind other researchers have particularly recommended matrix for academic mergers⁸⁷. This is based on the fact that matrix opens up communication process for members from diverse functions. Consequently this enables individuals to learn and share from one another. It may be further deduced that it positively contributes to the development of skills.

As matrix combines individuals from various diverse functions it carries the potential to create power struggles⁸⁸. In matrix other leaders may not have formal authority over their members. This could be further interpreted that matrix does not consist of a clearly defined hierarchy. Team leaders in matrix do not have the authority and influence to standardise procedures. Furthermore, it may be elaborated that individuals in matrix are simultaneously managed. Other researchers suggest that team members in matrix report to their functional line managers⁸⁹. In this context they are also required to submit to their team or project leaders. This team leader might not have full authority over them as their functional line manager. This practice necessitates the strong culture of cooperation. In this context matrix can be viewed as the platform in which individuals express their views. This process of views expression, this could possibly give rise to congruent agreement. Consequently, this agreement could lead to formalisation and standardisation of procedures. This could occur when matrix members perform certain

⁸⁷ Jones, G. R. 2004. *Organisational theory, design and change* p. 160-186

⁸⁸ Mullins, J. L. 1996. *Management of organisational behaviour* p. 348-350

⁸⁹ Senior, B. 1997. *Organisational change* p. 56-58

project functions. The literature further defines this formalisation and standardisation as bureaucratic structure⁸⁹. The following sub-heading will further explore the bureaucratic structure

3.2.6 Bureaucratic Structure

Recent developments in organisations have necessitated the utilisation of various structures. Some of the existing structures in HEI mergers are determined by the nature of the institution. This includes the abilities and skills of employees. Various organisations seek to maintain order and control of daily activities. They seek to perform this action by applying an appropriate structure. In terms of order and control some organisations still believe in a traditional method approach. Some researchers have identified this traditional approach as a bureaucratic structure⁹⁰. This structure relies heavily on standardisation. In this structure tasks are performed within stipulated rules of the organisation. The interpretation of this is that tasks in this structure are achieved through specialisation and formalisation of rules.

The theory indicates that the bureaucratic structure adopts a centralised authority⁹¹. Employees cannot make decisions of their own. They are guided by standardised manuals when executing their tasks. Centralisation may not always be relevant to HEI, concerning academic freedom. Other researchers have identified this structure as a highly routine operating task⁹². This structure is extensively utilised by large organisations. This is supported by the fact that bureaucratic approach is mostly adopted by Government agencies⁹². This raises some concerns in terms of successful implementation. Other writers reveal that the success of bureaucracy is based on wide consultation⁹². The interpretation of this may be viewed as the measures to prevent

⁸⁹ Senior, B. 1997. *Organisational change* p. 56-58

⁹⁰ West, W. F. 1997. *Searching for a theory of bureaucratic structure* p. 588-591

⁹¹ Dunn, S. C. 2001. *Motivation by project and functional managers in matrix* p. 3-9

⁹² Rees, W. D. 2004. *Matrix structure and the training implication* p. 189-193

resistance to formal rules. The effectiveness of bureaucratic approach should reflect the maximum representation of the individual. This may occur during the decision process. The relevancy of this structure is also arguable in an unstable environment. This raises the concern where employees encounter situations in which standardised procedures do not clearly provide directives. This may occur particularly in organisations that operate in a global context. Regarding this the literature reveals that bureaucracy is effective when individuals face situations which they had previously encountered⁹². It may also be elaborated that the effectiveness may occur provided the standardised procedures have already been amended to accommodate certain situations. The major weakness of this structure is when organisations face a challenge which has not been specified in formal rules. This is also likely to cause crises as there will be no available or efficient response to the challenge. According to German Sociologist *Max Weber* bureaucracy consists of certain principles⁹². The literature identifies these principles as *Rational Legal Authority*, and *Organisational Role Principle*⁹². According to other writers rational legal authority is not about an individual issue⁹². In simple description rational legal authority does not concern individual qualities. The interpretation of this bureaucratic principle is based on an individual authority within an organisation. This further includes the individual responsibility.

The literature further describes organisational role principle in the context of individual competencies⁹³. This may be further interpreted that organisational role principles do not particularly consider individual roles or the status of individuals. These principles may be further viewed as contingent to any turbulent circumstances that may arise. This structure indicates that bureaucracy is particularly applied in larger organisations. In this regard other researchers reveal that the bureaucratic approach consists of high hierarchy⁹³. This means that bureaucratic structures comprise many levels of management. This structure may also be illustrated in the following diagram:

⁹² Rees, W. D. 2004. *Matrix structure and the training implication* p. 189-193

⁹³ Kolodny, H. F. 1979. *Evolution to matrix organisation* p. 543-544

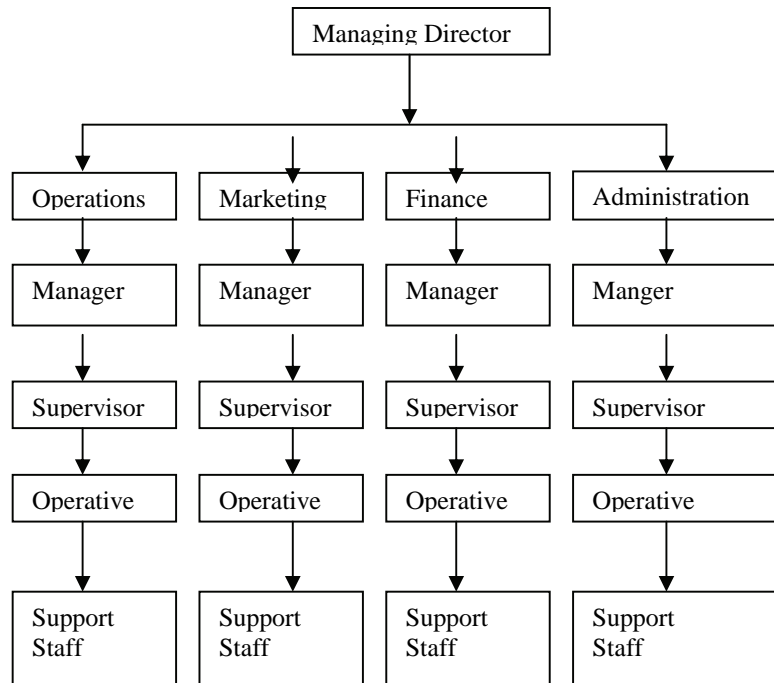


Figure 3.3 - Bureaucratic Structure
 Source: Mullins, J.L. 1996 p. 349

As a consequence of the various levels some researchers have labelled this tall organisations⁹³. Tall organisations may be viewed as an opposite of flat organisation. The literature further identifies flat structures as simple structures⁹³ which will be discussed in the following section.

3.2.7 Simple Structure

This structure is usually utilised by small organisations or companies. Simple structure is understood as a control approach normally applied by an entrepreneur. This structure reflects a sense of ownership. Simple structure consists of few management levels. This structure is viewed as the design characterised by a very low degree of formalisation⁹³. This has also been explained as classical organisational structure⁹³. Simple structure can

⁹³ Kolodny, H. F. 1979. *Evolution to matrix organisation* p. 543-544

also be understood as the structure that contains a wide span of control where employees are placed under the control of one manager. According to other researchers this manager adopts the centralised approach in the decision process⁹³. Individuals under this structure report directly to the manager. Furthermore, these individuals should be able to carry out organisational activities in the absence of the manager. It may be further elucidated that in simple structure, the manager monitors all the activities directly. Other researchers state that employees serve as an additional supervisory authority⁹³. This opens up an argument which could be based on the effectiveness and efficiency of the structure. It further raises the question of management capacity to make rapid decisions. Some researchers have discussed certain assumptions that are based on the unforeseen circumstances and organisational challenges⁹³. This also includes external and internal environments. Some of these assumptions include the possibilities of an enormous pressure that may affect the executive. This is likely to occur when the organisation is rapidly growing.

Based on unforeseen circumstances an organisation may experience severe difficulties. One heart attack can literally destroy the efforts of the organisation⁹³. The interpretation of this is that some company activities may ultimately come to a halt. This is likely to take place in the absence of the significant individual responsible for decisions or an executive who may not be able to attend prominent issues due to other engagements. As the organisation grows some aspects may require direct attention. Failing to provide this attention may result in an organisation losing its momentum. This may be identified as an obstacle to this structure. This could also be described differently. For instance it may be argued that this structure facilitates rapid response. The manager is aware of every move occurring within the organisation. In this context decisions can be reached with minimum effort. This is due to the fact that this structure does not consist of various channels for decision making. Simple structure enjoys more benefits in the presence of the executive. The literature has also revealed that this structure is characterised by very low departmentalisation⁹³. This structure does not entail various departments.

⁹³ Kolodny, H. F. 1979. *Evolution to matrix organisation* p. 543-544

Consequently this enables the manager to gain full control of every division. In the context of departmentalisation simple structures may be described as the opposite of geographical structures. The following section will deal with the exploration of geographical structures.

3.2.8 Geographic Division Structure

Geographic division structure is an organisational structure which is characterised by different products that are located in different places. The departments in this structure are geographically separated from each other according to their products. They are geographically scattered. In this context some units rationalise the perspective of improving the products they offer. The literature states that this rationalisation is sometimes based on the demands of clients⁹⁴. This includes the environment in which the organisation operates. This structure specifically adopts the decentralisation approach. Some aspects of this structure are centralised. The practical example of this may be highlighted where faculties of universities are allowed to design and offer certain programmes. In this case financial issues are centrally managed by the finance department. This approach may be especially experienced by academic departments. Different units are grouped or placed at various locations.

This is further described as the divisional structure where units are collectively organised⁹⁴. These collectively organised resources are based on specialties. It may be further highlighted that this structure is ratified by the specialties and skills of individuals. Organisations allow the existence of this structure on the grounds of individual skills and their performance. This may also be based on trust and the experience of employees to effectively run the division. Organisations are arranged according to the abilities of individuals. Regional activities and specialties are combined according to their geographic locations⁹⁵. The interpretation of this combination is that

⁹⁴ Mintzberg, H. 1981. *Organisation design* p. 103-116

⁹⁵ Lawrence, P.R. 1967. *Differentiation and integration complex organisation* p. 1-47

regions and specialities are able to deal with issues concerning their clients in different regions. This structure is suitable for organisations that have clients in different regions⁹⁶. Due to the decentralisation process these regions are able to quickly respond to the arising challenges. Another practical example of this structure may be drawn from the context of higher education. In a higher academic institution, different faculties are geographically scattered. This may be viewed particularly in a South African context where some academic institutions like UKZN consist of up to five (5) campuses. These campuses are in different locations. The literature states that this structure allows these campuses to make their own decisions concerning the programmes they offer⁹⁷. Their decisions have to be in line with the policies of the entire institution. Whatever conclusion reached by these divisions has to conform to the vision of the organisation. It may also be highlighted that this structure facilitates the gathering of individuals who possess special skills. Individuals interact with one another in an effort to establish sharing activities. This interaction facilitates the creation of another structure namely the informal structure⁹⁷. The next section will discuss the informal structure.

3.2.9 Informal Structure

This structure is the result of individual interaction at geographic division level. The emergence of this structure is facilitated by individuals who find alternative methods of executing their tasks. This structure may be defined as the consequence of individual or group interaction. This group interaction is based on their skills and expertise in the industry or field in which they are involved. This structure is also understood as the communication of individuals within an organisation. The communication occurs outside the channels of formal structure⁹⁸. Consequently communication ultimately results in the formation of informal structure. This structure exists within and outside the organisation. It may be further understood that the informal structure does not appear on any organisational chart. The comprehension of this structure to some individuals is based on

⁹⁶ Nystrom, P.C. 1981. *Handbook of organisational design* p. 47-55

⁹⁷ Mendelson, R. 2001. *Geographic structure as census variables* p. 1-25

⁹⁸ Wang, L. L. 2002. *The informal structure: hidden energies* p. 6-13

the fact that it only exists within an organisation. The existence of this structure is not confined to a single organisation. This interaction does not only involve members within the same organization. This is why it has been referred to as cross functional and inter-organisational interaction⁹⁸. It may be a large group of people from various organisations. These people might have the same interest concerning any particular field. This is regardless of the organisation they are attached to. This may result in a major contribution and positive impact to organisation.

The intent of this structure is to facilitate the sharing of various approaches in the fraternity. Individuals discuss different challenges imposed by the environment and solutions. Expert individuals share their experiences and develop ideas together pertaining to their respective tasks. This structure may seem to be an effective method of contributing and gathering knowledge from various experts. There are some constraints which may be identified as obstacles to the success of this structure. These limitations have been labeled as *Time*, *Venue* and *Organising*⁹⁸.

With reference to these factors it may be argued that due to time constraints, some relevant individuals with great expertise may not be able to fully participate in this structure. The gathering of these individuals, especially those who are based in other organisations may present a challenge. The success of this structure depends on a dedicated individual to assume the responsibility of organising the gatherings. This also requires the existence of communities of practice.

It may also be argued that venue and organising the gathering may not be problematic if the structure is on the premises. This structure may only present challenges if it contains a large number of individuals from different organisations. If the challenge of organising gatherings and venues persists then electronic communication may assist to halt this challenge. Therefore, complexity in this structure may be identified as the major

⁹⁸ Wang, L. L. 2002. *The informal structure: hidden energies* p. 6-13

obstacle. This structure may not recognise certain organisational structural elements. Some writers emphasise the consideration of organisational elements for any particular structure if it is to be effective⁹⁸. These elements have been labelled as the building blocks of organisational structure⁹⁸. The following section will discuss the elements of organisational structure.

3.3 Characteristics of Organisational Structure

At the beginning of this chapter organisational structure was described as the body that governs organisational activities. For the effective functioning of these activities certain elements may be required. In this regard other researchers have elucidated that *Complexity*, *Centralisation* and *Decentralisation* and *Formalisation* should be considered⁹⁹. These elements may serve as the support for an effective organisational structure. The theory considers them as pillars of organisational structure⁹⁹. Their fundamental purpose is to expedite the decision process in various organisational engagements. They play a key role in reducing the conflict and confusion¹⁰⁰. The essence of these elements will be further revealed in details by exploring each element.

3.3.1 Complexity

Complexity is viewed as an extensive interaction between individuals or organisations. This includes various tasks and the organisational environment. This has also been identified as a system in which different parts are connected to each other¹⁰⁰. The interpretation of this is that complexity explains how different tasks have been divided. This element consists of certain components. The intent of these components is to contemplate task division. The components have been labelled *Horizontal*, *Hierarchical*, and *Spatial Dispersion*¹⁰⁰. Horizontal component may be described as task division. Tasks may be divided according to smaller components. Various tasks can be performed

⁹⁸ Wang, L. L. 2002. *The informal structure: hidden energies* p. 6-13

⁹⁹ Robbins, S. P. 2003. *Organisational behaviour* p. 430-431

¹⁰⁰ Scholl, R. W. 2003. *Knowledge management: concepts and best practices* p. 305-312

with a low level of skills and education. This means that some tasks require close supervision. This depends on the skills of individuals responsible for a specific task. Consequently some tasks may require a very high level of skills and education to perform. Regarding hierarchical component, the literature states that it contains a huge number of positions within an organisation¹⁰⁰ that contains a large number of levels between high and low levels. It consists of various vertical levels. The final component of complexity is spatial dispersion. This level involves geographical dispersion of organisational activities. Organisations determine whether they operate in multiple or single locations. This also depends on their clients and the distribution of product. It may also be highlighted that some organisations could prefer the geographic dispersed context in order to target certain objectives. The complexity element raises some questions pertaining to decision making particularly between the highest and lowest position. Other researchers have labelled this context of decision processes as centralisation and decentralisation¹⁰⁰. For individuals to comprehend the structure of an organisation especially in a complex situation, the point at which decisions are made should be clear. The following sub-heading will focus on the details of centralisation and decentralisation.

3.3.2 Centralisation and Decentralisation

Centralisation refers to the situation where decisions of the company are taken at single point. This action is usually performed by senior management¹⁰¹. In a centralised organisation subordinates receive instructions. This also includes lower level managers. In most cases instructions and directives are from the top management in the form of guidelines, policies, and standards¹⁰¹. Ground level employees do not have suggestions in organisational decisions. It may be further stated that subordinates in this approach do not play an active role in the decision process. Centralisation is regarded as the traditional method of decision approach. This approach may be challenged as it carries the potential to imperil employees' innovation capabilities. This may be viewed as a

¹⁰⁰ Scholl, R. W. 2003. *Knowledge management: concepts and best practices* p. 305-312

¹⁰¹ Harrington, J. E. 2000. *Centralisation versus decentralisation* p. 1427-1440

limitation to the growth of individuals. Individuals rely on the document guide to execute their tasks. Centralisation may also be seen as depriving individuals of an opportunity to exercise their skills. Other researchers contest that this may only occur with individuals who are highly skilled¹⁰¹. This approach seems to be only appropriate with individuals who have low skills.

In contrast to this, the decentralised strategy enables employees to make decisions in their own divisions. In decentralised organisations employees are offered an opportunity to participate in decision processes. Concerning decentralised strategy, other writers suggest that it is the recent preferred method of modern organisations¹⁰¹. This is perhaps due to the quick reaction to emergency situations and diverse inputs. Decentralisation may also be described as the opposite of centralisation. The literature has revealed that the relevancy of these approaches is based on certain levels of organisations¹⁰¹. What is more intriguing is the fact that both approaches are mostly appropriate to certain levels of organisations where organisational complexities play a certain role in determining the approach to be adopted. Other researchers have recommended the centralised approach in flat organisations¹⁰¹ which have been previously discussed as simple structures. Conversely, decentralised is considered to be appropriate for complex circumstances. Furthermore, it is interesting to note that regardless of the approach, formalisation is still required to be maintained regardless of whether the decision is reached by senior management or lower division. The process of compiling the guidelines accepted centrally or at decentralised level needs to be formalised. The next section will discuss the details of formalisation approach.

3.3.3 Formalisation

This dimension may be described as the process where the organisation controls activities by means of standardisation procedures. Some researchers have referred to formalisation as the generic type of control mechanism where whatever decision is taken needs to be

¹⁰¹ Harrington, J. E. 2000. *Centralisation versus decentralisation* p. 1427-1440

formalised by being written down¹⁰¹. The written procedures may be referred to as manuals or documents. This document can then be utilised when performing certain tasks. In this regard other writers state that employees are always expected to perform their task according to these stipulated procedures¹⁰¹. They are also required to handle the same input in a consistent manner. This ultimately results in a consistent and uniform output. This practice could also be contested based on the fact that this practice does not provide employees with an opportunity to grow and become innovative. It may deprive individuals who have recently joined the organisation. Employees who have recently joined the organisation may not be happy with certain policies. The other side of this dimension assists in clarifying task procedures within an organisation. The primary purpose of this element is to formalise and circulate every decision taken within an organisation. These elements cannot guarantee the success of the organisational structure. In this case some researchers have identified certain factors that may assist in influencing the structure of an organisation¹⁰¹. It may be essential to consider those factors that affect the effectiveness of the structure, the details of which will be looked at in the following section.

3.4 Factors Influencing Structures

The structure of an organisation is usually affected or positively influenced by certain factors. It is essential that an organisation consider these factors. They have been identified as *Organisational Environment, Technology, Strategy and Human Resources*¹⁰². Their significance is particularly recognised in mergers. The logic behind the effectiveness of the structure may rely on proper consideration of these factors. Whenever the reference is made to organisational structure most people associate it with the hierarchical authority. This clearly indicates the lack of attention to these factors which are intrinsically attached to the structure of the organisation. They have the ability to effect and affect the structure. This normally occurs in mergers. As a word of caution,

¹⁰¹ Harrington, J. E. 2000. *Centralization versus decentralization* p. 1427-1440

¹⁰² George, J.M., Jones, G.R. 2006. *Contemporary management* p. 330-335

they might create a negative outcome if they do not receive much attention. The diagram below clearly illustrates these factors and this will be followed by a detailed discussion of each factor.

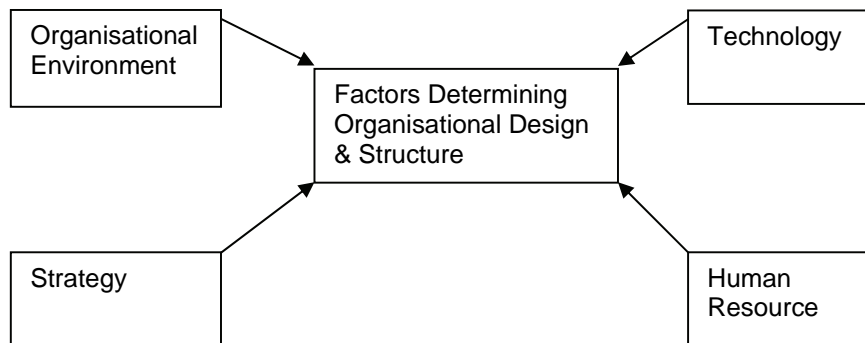


Figure 3.4 - Factors of organisational Structure

Source: Jones & George, 2006 p. 335

3.4.1 Organisational Environment

Organisational environment plays a significant role in determining the structure of an organisation. The example of organisational environment could be technological, operational, or extensive communication. Mergers of HEI are likely to be characterised by an extensive internal and external communication environment. The literature has indicated this to the extent that this factor is divided according to internal and external environment¹⁰². The type of structure to be adopted is mainly associated with the environment in which the organisation operates. For instance organic structure provides employees with the platform to extensively communicate with outside peers. It may be further emphasised that organic structure enables employees to make their own decisions in a fast paced environment. The organisational theory also states that organic structure is an appropriate structure in the external environment¹⁰². It may be argued that external environment can invigorate employees to learn and operate in a rapidly changing environment. The repercussion of this is that employees are introduced to a global

¹⁰² George, J.M., Jones, G.R. 2006. *Contemporary management* p. 330-335

context. Organisations may need to recruit skillful individuals who are able to orchestrate the task. In contrast to an internal environment, other writers have revealed that it is suitable for a mechanistic approach¹⁰². The main reason for this suitability is based on the fact that the internal environment shows some stable conditions. It may be further explored that the internal environment is characterised by extensive standardisation. To interpret this in a broad sense, it may be specified that before attempting to choose the structure for an organisation it may be essential to clearly understand the environment of an organisation. According to some researchers the environment may reverberate on the organisational structure if it is randomly determined¹⁰³. This raises the issue of technology particularly in the merger context. It may be stated that once the environmental factor has been identified and acknowledged, the technology to support staff to execute their task may need to be determined. In this case technology is regarded as an organisational structural factor.

3.4.2 Technology

This factor may be described as the tool which enables and supports staff to perform their duties. It particularly enables organisations to share and process information. It also assists in enabling communication between employees. Technology has been referred to as a practical approach of science to address a specific product or manufacturing¹⁰⁴. This factor has the ability of presenting challenges which may be based on choosing the appropriate technology. This refers to both software and hardware. This could be also argued in terms of the alignment of individual and organisational technological needs. The interpretation of this may be based on the simplicity of technology. The more complicated the technology, the more affected production is likely to be. This could incur training costs for the organisation. If employees can effectively utilise technology to execute their duties, then production is likely to increase. The proper alignment of technology and structure is likely to positively contribute to the success of organizational

¹⁰² George, J.M., Jones, G.R. 2006. *Contemporary management* p. 330-335

¹⁰³ George, J. M.; Jones, G. R. 1996. *Understanding and managing organisational behaviour* p. 196-205

¹⁰⁴ Ali, I. 2005. *The effects of the interaction of technology, structure* p. 23-32

structure. This has been vindicated by other researchers that the user friendly technology is likely to increase the capacity of employees to perform¹⁰⁴. Choosing the type of technology may depend on the task to be performed. This may be exemplified in a situation where an organisation is desperately seeking to connect all the departments.

Other researchers in this case recommend Enterprise Resource Planning ERP system¹⁰⁵. This system connects front and back office. Technology is the factor that enables organisations to communicate across various disciplines. If the technology factor receives the maximum attention it could assist the organisation in creating the stability through communication. It could also be stated that insufficient attention to information technology may attenuate the effort and progress made in the structure. The literature also states that for technology to be properly implemented it may require a certain strategy¹⁰⁶. Strategy in this case is another influential factor for an organisational structure. The following paragraph will look at strategy as a contributory factor to the effectiveness of the structure.

3.4.3 Strategy

This factor has been widely applied in the modern business world. Most organisations believe in applying proper strategy for various perspectives. Strategy factor may be described as a plan of action to execute and implement the policy with the purpose of achieving the desired result¹⁰⁷. This factor could also be described as a detailed statement which clarifies specific directions. The literature states that there are different strategies, for example function and divisional strategies¹⁰⁷. This is why this factor has been described in various ways for instance as the basic directional decisions¹⁰⁷. This can also be referred to as a plan or a means of moving from one level to another level of growth. The literature in addition states that the process of formulating a strategy can include the development of vision and mission¹⁰⁸. The literature further describes it as the process of

¹⁰⁴ Ali, I. 2005. *The effects of the interaction of technology, structure* p. 23-32

¹⁰⁵ Zhang, J. 2006. *The effect of organisational technological factors: conference Proceedings*

¹⁰⁶ Mintzberg, H. 1994. *The rise and fall of strategic planning* p. 38-42

¹⁰⁷ Barney, J.B. 1996. *Gaining and sustaining competitive advantage* p. 2

¹⁰⁸ George, J. M., Jones, G. R. 2006. *Contemporary management* p. 440-445

evaluating, monitoring, setting objectives, crafting a strategy as well as implementing and executing¹⁰⁸. With regard to implementation organisations need to properly select the strategy that can be implemented. Strategies may not be randomly applied to any situation. This is perhaps the reason why strategy has also been identified as the influential factor of organisational structure¹⁰⁸. The interpretation of this is that organisations operate in different circumstances. Strategies may be required to be aligned with the structure. Furthermore, most organisations endeavour to achieve success based on strategic approaches. This is vindicated by fact that organisations place an enormous effort on strategic planning and operational strategies¹⁰⁸. This can also be viewed in the light of recruiting strategy. In this regard it may be argued that recruiting is another dimension that may have an effect on organisational structure. This has been described as Human Resource, which is identified as another influential structural factor. The next sub-heading will discuss human resource as a factor that might impact on organisational structure.

3.4.4 Human Resource

Human Resource (HR) is another fundamental aspect for an effective structure. This factor is a key role player in determining the structure of an organisation. It is recognised as the contributory factor to the structure by the type of individuals recruited. In this case other researchers state that if HR recruit skillful people, then the organisation is likely to adopt a decentralised structure^{108, 109}. The interpretation of this is based on the abilities of employees. The management may be conspicuous when employees perform their task with no supervision. It may be also stated that another optimal structure that is likely to exist is when employees possess low skills. A centralised structure is preferred to guide employees who require a certain level of supervision and have lower skills. The contribution of this factor to the success of organisational structure may be based on the skills of employees. This may appear imponderable for some organisation to ascertain the level of individual skills. Organisations may perform this action in order to enable

¹⁰⁸ George, J.M., Jones, G.R. 2006. *Contemporary management* p. 440-445

¹⁰⁹ Patterson, G. T. 2002. *Human and ecological risk assessment* p. 106

employees to fully participate in core activities of an organisation. The management needs to trust subordinates' decision making in various departments. It may be a sheer illusion to assume the inabilities of individual on the bases of in-exposure to the fundamental activities of an organisation. This factor may also be interpreted as a source of support in constructing a reliable structure in adverse circumstances. This factor is likely to be more relevant particularly in academic mergers.

3.5 Conclusion

Due to the extensive interaction and complexity, the merger of HEI is likely to adopt the decentralised structural element. This chapter has emphasised that mergers in HEI endeavour to ameliorate variability by focusing on the structures that are considered appropriate for certain environments. Various structures for example the functional structure could be relevant for Higher Academic Institutions who are engaged in mergers. Functional structure emphasises the combination of individual specialties and this may be associated and relevant to academic departments which group specialists together. According to the theory, the structure of an organisation identifies the boundaries of an organisation. Different structures which have been adopted in organisations seem to focus on directing the employees to execute their task. They also serve as the platform, which is utilised by individuals HEI mergers to express their concerns. With regard to variability, some structures are determined by the skills of individuals. The role of organisational structure to pre-empt the human variability could rely on the capabilities of individuals. The willingness of employees to adapt certain structural approaches could also have a positive impact on the effectiveness of the structure. This is regardless of hierarchical or task related divisional structure. When structures are formulated, it is essential to consider the internal and external environments as well as the skills of employees. This may be particularly evident in the context of mergers where different structures exist as a result of employees' skills. The following chapter will specifically discuss the merger of academic institutions.

Chapter 4

Mergers of Academic Institutions

4. Introduction

The focus of this chapter is on mergers of HEI's. South Africa has recently engaged in the practice of merging HEI. The merger involves various integration and transitions approaches. This chapter will look at different approaches by focusing on different types of mergers. This will include various phases of the merger. Some mergers actually fail due to unforeseen circumstances. This chapter will explore certain aspects that could contribute to the success and failures of mergers. Another aspect that will feature in this chapter is the impact of mergers on employees. This will also include different perceptions of individuals concerning new processes. In the context of mergers, knowledge and information sharing could serve as the basis for an effective merger. This chapter will also look at the role of knowledge and information transfer process during merger transitions. Before any further exploration about the features of this chapter is undertaken, it is essential to firstly define the concept of merger.

4.1 Definition of the Merger Concept

The approach of merging HEI has been globally utilised. This has resulted in a variety of definitions of this concept. The literature has referred to it as the combination of the corporations¹¹⁰. It further states that it is where one corporation survives and the merged corporation comes out of existence¹¹⁰. This also means that both organisations must be willing to sacrifice and dissolve. This allows the new entity to emerge. In the context of HEI, merger could also be viewed as the amalgamation of the two institutions, which are similar in services rendered but different in fraternity¹¹⁰. The grounds on which institutions comes together could determine the type of the merger. This may be understood in the sense that similar services or products enable institutions to follow

¹¹⁰ Gaughan, P. A. 1999. *Mergers, acquisition and corporate restructuring* p. 7-23

certain type of mergers. The following section will identify various types of mergers based on different services and products.

4.2 Different Types of Mergers

Different types of mergers have evolved as a result of various services and products offered by different institutions. This includes different strategies and approaches adopted by organisations. These types have developed through a negotiation process. They are facilitated by the nature, size or product as well as relationship of the merging institutions. The literature has identified these types as *Horizontal, Vertical, Congeneric, and Conglomerate Mergers*¹¹⁰

4.2.1 Horizontal Merger

Horizontal mergers include the combination of the organisations that render the same product. Since it is based on producing similar services, the literature has recommended it for faculties of universities¹¹⁰. Horizontal mergers could be associated with HEI mergers, as it emphasises the merging of organisations which render similar services. In the HEI merger context both UN and UDW were the academic institutions which offered similar programmes. The literature further describes it as the strong base for a coherent and an effective unification of institutions¹¹⁰. This contributes to an extensive growth of production in the merging institutions. This type of approach could be further viewed as the method that could be used to reduce the size of the industry. It may be further interpreted that the amalgamation of two powerful institutions decreases rival competitors. In terms of production this merger produces more products due to the abundance of resources. The manufacturing of quality products may be a delicate issue. This raises some concerns in the context of producing sumptuous products.

¹¹⁰ Gaughan, P. A. 1999. *Mergers, acquisition and corporate restructuring* p. 7-23

Regarding this the literature provides evidence that some organisations resort to merge with other organisations that specialise in certain products¹¹¹. The merger which is based on certain products has been labelled as the vertical merger¹¹¹.

4.2.2 Vertical Merger

A vertical merger may be identified as the merger that combines organisations that specialises in producing the product. The fundamental aspect of this merger is based on the specific product. Other writers have mentioned that this type of merger contains experts in the field of manufacturing and production of raw material¹¹². Experts could be responsible for optimal and specific product. This also includes marketing aspects. The literature has revealed that this type of merger has been divided into backward and forward merger¹¹³. With regard to backward mergers, organisations combine with suppliers of the product. This is in contrast to forward mergers where organisations merge with the customer. The interpretation of this merger is that it places competitors in a challenging situation. It limits their access to suppliers and customers.

Organisations involved in a vertical merger enjoy the effective and efficient flow of the product. This may be further interpreted that organisations in vertical mergers have an enormous reliance on each other. This reliance is based on producing sumptuous products including the marketing of the product. However some researchers argue that for an effective collaboration both organisations must be familiar with the products¹¹². They further state that organisations must be in the same industry and same business¹¹². In this context, it may be argued that organisation may still merge even if they belong to different businesses in the same industry. The literature vindicates this by indicating that a merger of organisations from the same industry but from different businesses is possible¹¹³. The literature has identified and labelled this type of merger as congeneric¹¹³ which generally would not be suitable for HEI.

¹¹¹ Cartwright, S., Cooper, C. L. 1996. *Managing mergers, acquisition and strategic alliances* p. 26-27

¹¹² Gaughan, P.A. 1999. *Mergers, acquisition and corporate restructuring*. P. 7-23

¹¹³ Gaughan, P.A. 2005. *Merger: what can go wrong and how to prevent it* p. 330-345

4.2.3 Congeneric Mergers

Congeneric mergers include organisations which are in the same industry but in different business. This may also be explained in a situation where you find different service providers. This service provider could be useful to customers. The practical example of this merger would be where you find a Medical Doctor and a Dentist in one place. They provide different services but both could still market their services to one person. The benefit of this merger is to utilise the same sales and distribution channels in order to reach customers of both services¹¹⁴. The interpretation of this is that congeneric brings useful services together. This may also be described as the collection of unrelated services. It facilitates easy access to various products and services in one place. The repercussions of this merger benefit both parties in terms of marketing expenses. However, this may imperil and detract the operations if organisations are geographically dispersed. This type of merger is based on the commonality of services in terms of customer demands. Therefore, congeneric merger would not be suitable for HEI mergers. In this regard, the literature further expresses that some organisations decide to merge regardless of common base or industries¹¹⁴. Some writers identify this type of merger as conglomerate merger¹¹⁴. The details and discussion of this conglomerate will be explored in the following section.

4.2.4 Conglomerate Mergers

A conglomerate merger consists of organisations which are in completely different industries and services. It involves organisations that operate in separate markets. This type of merger does not have commonality in the product that might be identified. There is no available ground in which common activities and cooperation may be based. The rationale behind this merger may seem plausible as it highlights the efficiency and effectiveness of the merger. The literature states that the conglomerate merger is of two types, which include pure and mixed conglomerate mergers¹¹⁵. Pure conglomerate is described as a situation where nothing common exists between the merging organisations

¹¹⁴ Coffey, John. 2002. *Reaping the benefits of mergers and acquisitions* p. 43-56

¹¹⁵ Tommy, S.G. 2003. *Conglomerate mergers: vertical mergers in disguise?* p. 1-16

whereas mixed aspect is seen to be paving the way for common ground to be established for product development. This may ultimately develop the correlation between merging organisations. Organisations involved in this type of merger are impenitent as the literature reveals that the benefit of this merger includes the reduction of capital cost and overhead¹¹⁵. Therefore, in this context conglomerate would also generally be unsuitable for HEI. Furthermore, it is stated that there is no positive or negative effect on competition¹¹⁶. This may be further interpreted that it does not decrease or change organisations either the acquiring or the acquired organisation. The success of this may require an explication since the merger is conspicuous between organisations engaged in the merger. Regarding the success of this merger the literature has revealed phases in which organisations need to contemplate in order to produce an effective merger¹¹⁶. The essence of these phases will be explored in the following section.

4.3 Phases of Mergers

There are various stages that may require maximum attention in organisational mergers. These phases have been identified as *Pre-merger*, *During merger* and *Post merger phase*¹¹⁷. These phases may act as tools for an effective merger. The imperative of deliberate planning prior to the merger may seem to be fruitful especially when these stages have been considered. These phases could have a great and positive impact towards the success of the merger. Planning of the merger may be a daunting and delicate process. Further details of these phases will be discussed in the subsequent sub headings.

4.3.1 Pre-merger Phase

Pre-merger phase is understood to be the preparatory level for the looming merger between organisations. It is the initial phase which seeks to formulate and provide new

¹¹⁵ Tommy, S.G. 2003. *Conglomerate mergers: vertical mergers in disguise?* p. 1-16

¹¹⁶ Feinberg, R. M.1984. *Conglomerate mergers and subsequent industry effects* p. 128-137

¹¹⁷ Appelbaum, S. H. 2000. *Anatomy of the mergers* p. 649-661

directions for new organisations. Various researchers have described this phase as the most crucial aspect of mergers¹¹⁷. It consists of every plan for the entire merger process. Pre-merger phase may also be viewed as the phase that entails the decisions about the model of new organisation. It is the process of creating a new culture that does not utilise either culture of its base. Despite the management efforts and attempt to establish new processes, it may be argued that the effectiveness and success of this phase does not only rely on senior level efforts. The success of this phase is also based on wide consultation and representation of individuals. Some researchers have vindicated this by stating that employees are urged to express their views in the initial processes¹¹⁸. The success of this phase may indicate an advancement of the merger process. However hallucination may be experienced by individuals at this stage, which may stem from anxiety concerning individual positions¹¹⁸. The anxiety and the employees' concerns may be dealt with at the next stage of the merger. This stage is identified as *During-merger stage*.

4.3.2 During – Merger Phase

The during-merger phase proceeds from the preparatory phase, which is the pre-merger. This phase includes the announcement of changes. As much as the pre-merger is primarily focusing on planning and modelling the new organisation, it also focuses on the reaction of employees with regard to the announcement of changes. The literature clearly demonstrates that as soon as changes are announced, employees react with stress and anxiety¹¹⁸. It may be further expressed that some of the changes precipitate certain situations and provoke some individuals who may become reluctant and overwhelmed by the changes. This may also lead to resistance. Various researchers have expressed that this phase is likely to create uncertainty and confusion¹¹⁸. It could also create instability and variability. Employees' negative reactions are likely to hinder the smooth transition of the merger process. Although some researchers have suggested that these negative reactions may be overcome by the organisation transparency, they further suggest a proper communication and dissemination of information process.^{117, 118}

¹¹⁷ Appelbaum, S. H. 2000. *Anatomy of the mergers* p. 649-661

¹¹⁸ Cartwright, S., Cooper, L. 1993. *Of mergers, marriage and divorce* p. 7-10

The process of information dissemination and transparency may be considered as a preventive step in view of employees' negative reactions. As a result of drastic changes, some employees are likely to experience a sense of great loss and discomfort. In response to this the literature highlights that more emphasis should be on Human Resources to ease the enormity of employees' discomfort¹¹⁸. This phase seems to be characterised by employees' expression and reaction to changes proposed at the pre-merger. This phase may be further identified as a delicate process which requires strategies to retain skillful individuals. Whatever predicament facing organisations in this phase, the literature has identified it as the transition process, which leads to another level¹¹⁹. The literature has identified this level as *Post-merger phase*¹¹⁹.

4.3.3 Post Merger Phase

This phase involves proper integration of different organisational cultures. It is where employees and management find common ground to align different integration strategies¹²⁰. The interpretation of this is based on the fact that this common ground acts as the basis for a team mission and a new culture. The progress of this stage might be severely impeded by the lack of a clearly defined common ground and corporate culture. The concern of this phase is based on the integration efforts unlike in the *During phase* where employees are concerned with their position. With regard to employees' concerns, some researchers state that individuals in this phase are no longer concerned about losing their comfort zones¹²¹. The major concern is now on the integration of new systems. This phase particularly focuses on normalising the situation confronting employees who have to perform their duties under new circumstances. Some researchers have also labelled this phase as the stage of integrating all organisational levels¹²². This integration includes human and task integration. The interpretation of this phase is that it seeks to find a way forward to cooperate within an organisation. The literature has further

118 Cartwright, S., Cooper, L. 1993. *Of mergers, marriage and divorce* p. 7-10

119 Cartwright, S., Cooper, L. 1994. *Organisational marriage: hard versus soft* p. 32-42

120 Cartwright, S., Cooper, L. 1995. *The human effects of mergers and acquisition* p. 47-61

121 Habeck, M. 2000. *Seven rules for successful post merger integration* p. 47-52

122 Ivancevich, J. M. 1987. *Strategies for managing human resources* p. 19-35

identified this phase as the level that requires a leader whose influence correlates with a high level of individual satisfaction¹²³. This leader is expected to orchestrate and to pave the way for employees to accept and conform to new processes. This may also be interpreted as an attempt by management to induct employees of the newly merged organisation. This process determines the success and failure of the merger. All these phases have a key role in illuminating the entire merger process. If they are properly implemented, they could play a key role in merger success. The literature reveals that especially the Post-merger phase could confront complexity and diverse circumstances¹²³. Post phase could be vital in bringing stability to enable merger success. The following section will look at the success and failure of mergers based on certain circumstances and factors.

4.4 Merger Success and Failures

Success and failure of the merger can be directly associated with certain factors. The literature has revealed factors that could negatively or positively contribute to the success or failure of the merger¹²⁴. These factors have been identified as *Culture*, *Integration*, and *Planning*¹²⁴. With regard to culture it has been stated that it plays an active role in the success of the merger¹²⁴. It draws together different individuals from various backgrounds. It has been further expressed that it acts as the backbone of the merger¹²⁴. These factors carry the potential to enhance the merger success although in most cases they are considered as a secondary method in mergers. This could also be interpreted as posing a barrier if there is insufficient attention on them. This might also present a challenge in merger success. Another factor which contributes to merger success is the *integration* mentality of employees. Integration in this instance is considered to be the crucial factor in ensuring merger success. Various researchers have cited that integration mentality particularly involves the devotion of employees in ensuring the success of the organization¹²⁵. It may also be elaborated that this should include senior management.

¹²³ Morosini, P. 2004 *Managing complex mergers* p. 53-54

¹²⁴ Weber, R.A. 2003. *Cultural conflict and merger failure* p. 400-415

¹²⁵ Nguyen, H. *The effective management of merger* p. 447-454

Placing together these groups could enhance the involvement of concern parties in integration aspects. The literature has further provided the framework in which the active integration should be based¹²⁵. For instance it has recommended the integration to be specifically based in operational, financial as well as strategic integration¹²⁵. The interpretation of this especially at strategic and operational level is mostly considered to be the aspect that gathers certain employees. It is considered to be the level on which conflict may arise. It may also be argued that the strategic level is characterised by certain individuals.

Operational and Financial aspects do not particularly involve lower level individuals. Therefore these aspects are the prerogative of the senior management. Another dimension which may directly correlate with merger success is the quality of Planning. Various researchers have revealed that the prime reason for merger failure is the allocation of insufficient time for proper planning of organisational aspect¹²⁶. This demonstrates that some organisational aspects receive priority over other aspects. This may ultimately lead to an unbalanced equation. Consequently the literature states that some individuals might eventually develop negative perceptions that they are less significant in the entire process¹²⁷. This highlights the fact that merger success or failure cannot only be attributed to the abovementioned factors. The perception of less significant could have a certain impact on merger success. Whatever impact created the literature state that it can either be positive or negative to the merger success or failure¹²⁸. The following section shall further explore the impact of mergers on employees.

¹²⁵ Nguyen, H. 2003. *The effective management of merger* p. 447-454

¹²⁶ Galpin, T.J., Herndon, M. 2000. *The complete guide to mergers and acquisitions* p. 37-42

¹²⁷ Jansen, D. 2002. *Mergers in higher education* p. 118-126

¹²⁸ Tichy, G. 2002. *What do we know about success and failure of merger* p. 431-440

4.5 Impact of Mergers on Groups and Teams

Mergers have become increasingly complex entities which in most cases have negatively impacted on groups and teams. Teams refer to a particular group of people who work together in a field to achieve specific goals. Regarding this, various writers have also expressed that mergers have enormously affected the manner in which groups' operate¹²⁹. The trend in which these groups illustrate their dissatisfaction is mostly based on resistance. Mergers impact groups in various ways. Some researchers have indicated that the impact may be evident and measured at cultural differences in the initial stages¹²⁹. The interpretation of this is based on cultural gap analysis. If the gap between the cultures of merging organisation is huge then the impact is likely to be negative. It has also been cited by various researchers that when employees possess strong cultural backgrounds, changing culture might be a challenge¹³⁰.

Mergers bring changes and organisational internal procedure is expected to follow suit. These changes determine the impact of the merger. Some researchers state that mergers serve as catalysts for change to organisational environment¹³⁰. Numerous occasions have occurred among groups during mergers. During these occasions, the literature reveals that groups have been staffed with people who possess a completely different set of values and cultural beliefs¹³¹. The different set of values and cultural beliefs could have the potential to derail the efforts of the group. Some writers state that team leaders develop fear of losing their position and members of their teams¹³¹. This usually occurs during the restructuring process. It may be further understood that mergers impact groups structurally and operationally. Furthermore this impact occurs internally and externally. The literature states that internal impact involves human variability while external impact involves environment industry and competitors¹³². The interpretation of this is that internal impact particularly involves employees' emotions and different

¹²⁹ Cartwright, S. Cooper, C.L. 1996. *Managing mergers, acquisition and strategic* p. 42-51

¹³⁰ Grankvist, A. 2005. *The implementation of organisational culture*. 71-91

¹³¹ Chin, O. P. 2004. *The impact of mergers and acquisitions on IT* p. 50-74

¹³² Astrachan, J.H. 2004. *Organisational departures* p. 91-110

perceptions. This may ultimately result in teams being less effective. In most cases various researchers still recognise culture as the key role player, which significantly impacts groups in mergers. It may also be indicated that maximum attention to culture and structure can drastically increase positive impact on groups. This could lead to the reduction of human behaviour and diversity. In this context, the literature has further identified *Fear of unknown* and *Loss of Competency* as other factors that might greatly impact groups¹³².

Concerning fear of unknown it may be expressed that groups develop fear as they have to move from their comfort zones to an unknown situation¹³². This involves changing procedures of executing tasks and as well as changing culture. In contrast *Loss of Competency* is where groups measure their skills and abilities against other groups that might possess superior skills. The literature further reveals that they impose questions on themselves such as *Will my skills be useful enough in the new organisation?*¹³². Other writers have also added *Information Technology* (IT) as another factor that might extensively impact groups¹³². Consequently IT has a significant impact on teams in mergers. It requires to be aligned with the needs of employees to perform their task. The interpretation of this is that groups begin to develop competition on the bases of their skills and different perceptions. Perceptions are another dimension which requires careful consideration. The following section shall look at the different perceptions of employees concerning mergers.

4.6 Employees' Perceptions on Mergers

The perception of employees about the merger can be described as frenetic phenomenon aspect. This dimension could be easily underestimated. Various researchers have discussed that although it is an invisible phenomenon, it can greatly impact the organisational merger¹³³. It further reveals that perceptions cannot be controlled but

¹³² Astrachan, J.H. 2004. *Organisational departures* p. 91-110

¹³³ Drieke, H. Magda, F. 2002. *Preparing the way for mergers in south African higher and further education institutions* p. 15

employees can be convinced to change their perceptions¹³³. It may be highlighted that employees' actions or behaviour is based on their different perceptions regarding particular circumstances. In any merger situation employees develop certain perceptions. This could be either negative or positive. This usually occurs if employees have not participated in decision making concerning their positions. The negative perception may reflect the lack of individual involvement at various stages of the merger. It may also be expressed that employees' positive perceptions and attitude bear much fruit and play a key role in the merger processes. Various researchers have indicated that employees' positive perceptions facilitate the smooth integration process¹³³. In this case the management does not have to play an extensive influential role.

The theory further states that employees' perception is often determined by the record of the organisation they merge with¹³³. The interpretation of this is that employees demonstrate willingness to merge with only successful organisations. Individuals seem to appreciate being associated with organisations which are at the forefront of the latest developments. Another dimension that is likely to trigger negative perceptions is the financial aspect of the organisation. This is based on the financial records. Regarding this, the literature states that employees do not embrace the companion of the organisation with an unsatisfactory financial record¹³⁴. Reluctance may be visible when the records illustrate financial mismanagement. Another aspect that might evoke negative perception is the profile of individuals. Individuals might develop negative perceptions on the bases of their low profile. The literature also suggests that this low profile inferiority complex is likely to lead to less participation by employees in some instances¹³⁴. It could be further expressed that employees' acceptance to cooperate in a

¹³³ Drieke, H. Magda, F. 2002. *Preparing the way for mergers in South African higher and further education institutions* p. 15-131

¹³⁴ Bellou, V. 2004. *Psychological tract breach and change during mergers and acquisitions* p 1-26

In a study conducted by (Drieke, H., Magda, F. 2002) they reported that staff perceptions were that Higher Education Academic Institutions should have been provided an opportunity to choose their own merging partners. This clearly demonstrates that staff did not properly consider geographical locations of the partners they want to merge with. It might happen that they were interested in merging with certain partners whom they have been engaged in informal structures.

merger is based on the positive perception. This includes their willingness to share their skills and knowledge. The sharing of knowledge and information can positively contribute to expanding organisational efficiency and effectiveness. In the merger of HEI this is of utmost significance as well. The following section will explore the benefit and processes of knowledge and information sharing and transfer within an organisation.

4.7 Knowledge and Information Transfer during Mergers

The discipline of knowledge and information sharing in an organisation is considered to be appropriate in maximising organisational effectiveness. Organisations have recently realised the potential of knowledge and information sharing. Some writers have labelled this discipline as an organisation's crucial intellectual asset¹³⁵. This intellectual asset concept can also be associated with an explosively emerged discipline popularly known as *Knowledge Management (KM)*. In a broad sense an intellectual asset may be identified as some individual's knowledge base. This term has been further described as a source in which individuals store valuable information/knowledge¹³⁵. In most cases it particularly exists in individuals' mind. The discipline of KM facilitates the capturing, sharing, evaluating and retrieving of all enterprise information assets¹³⁶. KM may be understood as the process that gathers organisational intelligence with the purpose of exploring and sharing information and knowledge. The literature has also identified this intelligence gathering as the process of securing the secret or uncovered information¹³⁶. Sharing this uncovered information asset on mergers can tremendously advance the organisation in merger integration and success. The following paragraphs will define the concepts *Knowledge* and *Information*.

¹³⁵ Srikantaiah, T., Kanti, 1999. *Knowledge management for the information professionals* p. 3-24

¹³⁶ Fourie, I. 2006. *Addressing the digital divide in teaching information retrieval* p. 469-489

4.7.1 Definition of Knowledge and Information

From the literature study the following definition of knowledge is preferred. For the purpose of this study knowledge is defined as a fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information¹³⁷. It originates and is applied in the minds of individuals. In organisations, it often becomes embedded not only in documents or repositories but also in organisational routines, processes, practices and norms¹³⁷. In contrast information may be defined as pieces and bits of data which are collected and recorded¹³⁸. Information is data that has been interpreted and understood by the recipient of the message¹³⁹. The literature describes information as facts or statements received by human mind¹⁴⁰. Information is further viewed as anything recorded anywhere with formality, collected, stored, and retrieved by different processes of research¹⁴⁰. With regard to the above definition of knowledge and information, the following section will emphasise the benefits of sharing and transferring of knowledge and information.

4.7.3 Knowledge / Information Transfer Process

Transferring knowledge or information can be identified as the practical approach that facilitates knowledge sharing in an organisation. This particularly occurs between individuals and teams in organisations. Other researchers have described this practice as an effective way of getting employees together for sharing purposes¹⁴¹. This could also be interpreted as the practice that urges the generation of new knowledge. This new knowledge could contribute to organisational performance. This could occur by means of intellectual capital transfer process. However the literature argues that this method could be challenged by implementation processes¹⁴¹.

¹³⁷ Davenport, T., Prusak, L. 1998. *Working knowledge how organisations managed what they know* p. 5

¹³⁸ Losee, R. M. 1999. *A discipline independent of information* p. 254-269

¹³⁹ Lucey, Terry. 1995. *Management information system* p. 16

¹⁴⁰ Dawson, R. 2000. *Developing knowledge based client relationship* p. 11-13

¹⁴¹ Yih-Tong Sun, 2005. *An investigation of barriers to knowledge transfer* p. 75-90

Concerning challenges some researchers emphasise that challenges may be overcome by aligning culture and structure with this practice¹⁴². Some researchers for example state that the implementation of this practice is based on the willingness of individuals to share their knowledge¹⁴³. This also depends on the type of knowledge being transferred. The types of knowledge are classified as tacit and explicit knowledge¹⁴⁴. The method of transferring knowledge among organisational members takes various forms. In transferring tacit and explicit knowledge, it may be highlighted that the process as indicated by some writers is based on SECI model¹⁴⁴. This model has been described as *Socialisation*, *Externalisation*, *Combination*, and *Internalisation*. The interpretation of this model is that it facilitates the creation of a platform where individuals exchange their experiences. For example knowledge/information transfer can be achieved through employees' *Socialisation*. This is face to face interaction of employees. It may also be highlighted that employees interaction may also lead to the capturing of one's tacit knowledge.

In this regard other writers have stated that socialisation plays a crucial role in leading the transfer of information¹⁴⁵. This is regardless of formal or informal socialisation. Another dimension of this model is the *Externalisation*, where employees convert their tacit into explicit knowledge. The interpretation of this is that the organisation records information from experts are shared with employees. Further to this the literature has deliberately indicated that it is advisable to evaluate, analyse and add value to any recorded information¹⁴⁶. The *Combination* mode is a situation in which explicit knowledge is transferred to other bodies. Some researchers indicate that combination deals with the discussion and sharing of explicit knowledge by various bodies¹⁴⁷. The example of these relevant bodies may be virtual libraries and conferences.

¹⁴² Argote, L., Ingram, P. 2000. *Knowledge transfer* p. 150-169

¹⁴³ Gunnar, Eliasson. 1996. *Firm objectives, controls and organisation* p. 88-102

¹⁴⁴ Nonaka, I., Takeuchi, H. 1995. *The knowledge creating company* p. 6-25

¹⁴⁵ Watson, S. 2006. *A multi-theoretical model of knowledge transfer* p. 141-173

¹⁴⁶ Kermally, S. 2002. *Effective knowledge management* p. 58-67

¹⁴⁷ Davenport, T.H. 1997. *Information ecology* p. 39-42

The interpretation of this mode is that interaction occurs between organisations. This inter-organisational communication is further supported by technology. Due to geographic locations, the theory suggests the use of email, telephone, meetings and seminars as a source of support for combination mode¹⁴⁸. Finally the *Internalisation* facilitates the conversion of recorded information into tacit knowledge. This could be described as the learning mode. It is a process where individual read manuals and documents. This in turn becomes their tacit knowledge. Based on SECI model the literature has indicated that knowledge/information transfer in organisations is likely to triumph.

The success of this process relies on a variety of methods. Some researchers have identified the *Communities of Practice* as another supporting strategy¹⁴⁹. The interpretation of this method is that it informally gathers individuals irrespective of their organisation for the exchange of ideas. The success of this dimension could be determined by the relation between culture and structure. This practice may require or depend on the support from the culture and structure of an organisation. Their relation could strengthen the effectiveness of transfer and sharing processes.

¹⁴⁸ Hughes, Michael. 2002. *Moving from information transfer to knowledge creation* p. 275-285

¹⁴⁹ Westphal, G. 2005. *Knowledge transfer in acquisitions* p. 75-100

4.8 Conclusion

The merger of HEI plays a fundamental role in overcoming academic challenges. This chapter has indicated that HEI could maximise their operational opportunities through mergers. In this context horizontal merger has been found relevant for HEI mergers. The mergers of HEI seem to be the strategy that increases the institutional capacity. Furthermore, HEI engaged in mergers could extensively achieve their goals through knowledge and information sharing activities. The positive impact and the success of the merger could be achieved through proper planning, which have been identified as phases of the merger. These phases may be further acknowledged as critical and fundamental aspects which could impede merger processes if they are disregarded. The effectiveness of the merger particularly in HEI could be determined by the level of internal integration and external adaptation. Therefore, academic mergers are likely to enhance the performance of HEI if internal and external cultural and structural aspects are properly aligned. The complexity that characterises academic institutions reflects the need to properly achieve the alignment. This reveals the fact that the relation between culture and structure in merged organisation plays a key role in the success of the merger. The following chapter will discuss the interrelationship between culture and structure in a merged institution.

Chapter 5

Interrelationship between Organisational Culture and Structure in Mergers

5. Introduction

The intention of this chapter is to discuss the interrelationship between organisational culture and structure in merged institutions. The emphasis will be on the strength and effects of combining the two organisational elements. The merged organisations could reflect the efforts of organisational structure or culture. The interrelationship between the two elements may be illustrated when the efforts of each element is recognised. This chapter will therefore discuss the role of culture and structure in mergers. Furthermore, it will also reflect and draw on synthesis of previously discussed Strong Culture and Centralised Structure as well as Subculture and Product Team Structure. A model that has been developed after an extensive research by O'Neill will also be explored¹⁵⁰. This will include independent and dependent variables that could be associated with the O'Neill model.

5.1 Interrelationship between Culture and Structure in Mergers

Chapters Three and Four have extensively dealt with the exploration of various types of cultures and structures. In various instances these elements have been treated as two separate organisational elements¹⁵¹. This demonstrates that the interrelationship between culture and structure has not been sufficiently considered. According to the theory, the lack of recognising the interrelationship and integrating the two elements may impede the success of the merger¹⁵¹. The interrelationship between culture and structure in merged organisations is that they both serve the same purpose. Their intention is to direct individuals with the ultimate aim of reducing an equivocality¹⁵². This reveals that culture

¹⁵⁰ O'Neill, J. 1997. *A structure and culture model of organizational behaviour* p. 1-16

¹⁵¹ Lok, P. 1999. *The relationship between commitment and organisational culture* p. 365-374

¹⁵² Prajogo, D.I. 2005. *The relationship between total quality management practices* p. 1101-1122.

and structure are equally important in organisational mergers. They are interrelated. Some researchers have also expressed that organisations develop a structure that is suitable to a certain culture¹⁵². In other words when the organisation changes its culture, the structure also changes. Some structures are primarily designed to provide support to certain cultures. This could be identified between centralised structure discussed in paragraph 3.3.2 and strong culture discussed in paragraph 2.2.3. In most cases where an organisation adopts a centralised structure, strong culture particularly dominates the organisation¹⁵². This interrelationship may be further viewed as centralised structure correlating with strong culture. This indicates the existence of an interrelationship between organisation's centralisation and strong culture. The theory further reveals that another interrelationship between structure and culture exists through decentralised structure and weak culture¹⁵³. This interrelationship may be associated with the skills of individuals. It could be further highlighted that decentralised structure is characterised by experts in the field. The decentralised structure consists of weak culture since individual experts make their own decisions.

The interrelationship between decentralised and weak culture could be visible in academic institutions. Academic faculties consist of experts in various departments who are able to make their own decisions through their skills and experience. In an academic context, the interrelationship between structure and culture could also exist between subcultures and product team structure¹⁵³. The reason for this view is that in academic departments, subcultures have emerged through various programmes offered by these departments. While product team structure has developed through the facilitation of special programmes the interrelationship between these elements is based on the interaction and the processes within the division. The more often individuals interact for a specific product design, the more the subculture develops through that cooperation process. This highlights that the interrelationship between culture and structure is

¹⁵² Prajogo, D.I. 2005. *The relationship between total quality management practices* p. 1101-1122.

¹⁵³ O'Neill, J. 2001. *The use of organisational culture and structure to guide strategic behaviour*. P. 1-131

determined by the interaction and collaboration process in an organisation. The role of this interrelationship particularly in a merger context could assist in reducing organisational conflict and influencing individual behaviour. The existence of the interrelationship between these elements is based on the approach adopted within an organisation. Another synthesis could also be drawn between subculture discussed in paragraph 2.2.2 and product team structure discussed in paragraph 3.2.4. Product team structure could therefore lead to the emergence of subcultures. The following section will further explore the role of culture and structure in reducing human variability by referring extensively to the O'Neill model¹⁵⁴.

5.2 Discussion and Proposition of the O'Neill Model

The O'Neill model is based on the theoretical research of culture and structure in an organisation. This model proposes that culture and structure could be utilised to reduce human variability in merged organisations. O'Neill further explores various roles which could be played by these organisational elements in mergers. The model seeks to reduce equivocality by directing employees' behaviour in organisations through culture and structure. According to O'Neill the effectiveness of this descriptive model is based on certain organisational conditions¹⁵⁴ which also refer to internal and external organisational processes. By internal and external, the model refers to the level of employees' *tasks, interaction* and *location*. It further identified internal and external organisational processes as *simplicity* and *complexity*¹⁵⁴. With regard to task simplicity O'Neill has indicated that as a result of dramatic changes in mergers task simplicity involves internal processes¹⁵⁴. Simplicity also could refer to low level of individual interaction and low geographical dispersion. Simplicity also includes highly repetitive simple tasks. This type of task may not require a high level of skills. In contrast to simplicity, O'Neill has further identified complexity as the process where individual tasks is characterised by extensive interaction¹⁵⁴. This includes a high level of geographic dispersion, which may be identified as multiple locations. The interpretation of this complexity may also be viewed as external organisational processes. This further

¹⁵⁴ O'Neill, J. 1997. *A structure and culture model of organizational behavior* p. 1-16

indicates that *simplicity* and *complexity* could be determinants of organisational culture and structure. Furthermore, an internal and external organisational environment could play a key role in determining the suitable mechanism for variability reduction. The O'Neill model could be useful for mergers particularly in HEI as it seeks to direct human behaviour by emphasising the significance of culture and structure. The merger of HEI could apply culture and structure as the foundation to reduce behavioural variability. *Simplicity* and *Complexity* in the context of HEI mergers can be further viewed as significant aspects that facilitate an understanding of an effective culture and structure in merged organisations. However, the model does not specify the exact type of culture and structure that may be suitable for a particular situation. The following diagram further illustrates this model:

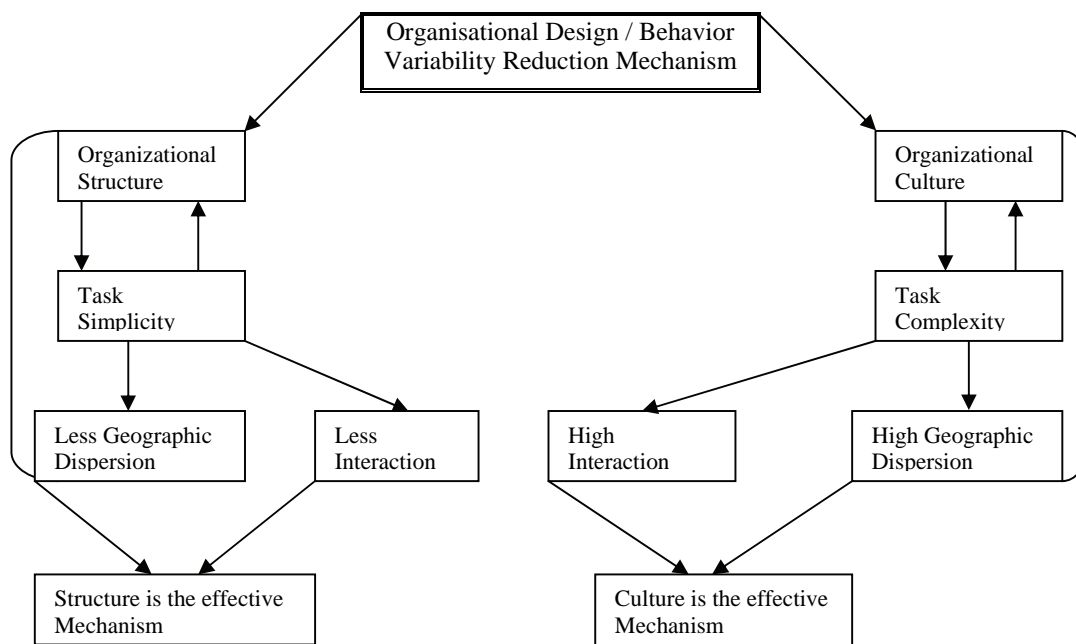


Figure 5.1 - Cultural and Structural Model
Source: O'Neill, 1997 p. 1-16

From the above diagram of the O'Neill model, the following two primary rules could be deduced.

- If the task is simplistic; if the geographic dispersion is little and if interaction is low, then the structural change is the effective mechanism to reduce behaviour variability in organisations.
- If the task is complex; if the geographic dispersion is extremely high and if interaction is high, then cultural change is the effective mechanism to reduce behaviour variability in organisations.

This model proposes culture and structure to certain organisational circumstances. However it does not clarify aspects where both culture and structure could be adopted. Therefore, it is noted that some organisations may require the application of both cultural and structural elements. For example O'Neill states that culture for instance is suitable in situations where organisations operate in complexity¹⁵⁴. This raises the concern of organisations that might be in a position where both culture and structure could be required for variability reduction. Some organisations might have simplistic task orientation with high dispersion and low interaction while others might be complex in task, low in dispersion and high interaction. This brings about the possibility that both cultural and structural element could be applied within the same organisation. The following diagram demonstrates the combination of these organisational elements.

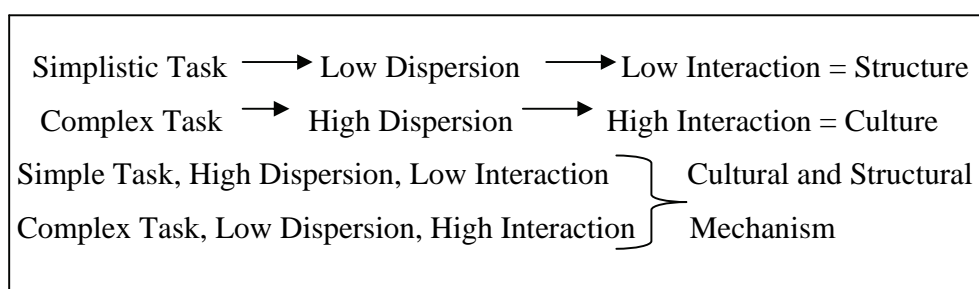


Figure 5.2 - Cultural/Structural Combination Approach
Source: Original illustration by the Author

¹⁵⁴ O'Neill, J. 1997. *A structure and culture model of organizational behavior* p. 1-16

Organisations may operate in various environments, which could require different applications. However, in the context of culture and structure as previously mentioned these elements are interrelated. Their effectiveness could rely on the cooperation and application of both elements. Some organisational aspects may require cultural dimensions and some may require structural dimensions. The O'Neill model *Task* (*simplicity/complexity*), *Dispersion* (High/Low), and *Interaction* (High/Low) have become independent variables in the effectiveness of culture and structure in merged organisations. The following section will examine the role and effects of these independent variables to behavioural variability reduction.

5.3 Discussion of Independent Variables

Task, *Dispersion*, and *Interaction* as independent variables in the O'Neill model could have positive or negative effects on variability. These independent variables may influence the capacity of individual performance. Their role could significantly contribute to the reduction of organisational behavioural variability. They may be considered as the sole determinants of the effective cultural/structural mechanism. The following paragraphs will further explore each of these variables.

5.3.1 Task Simplicity/Complexity

The simplicity and complexity of tasks in organisations particularly in mergers could play a fundamental role in determining the success of culture and structure. The arrangement of tasks particularly in organisational mergers may impact the capacity of individual performance. Employees may not easily imbibe the specific task assigned to them. The literature states that some tasks in organisations may require specific skills¹⁵⁵. Therefore, individuals should possess certain experience to engage in some duties. This could be further described as employees performing their tasks according to organisational standards. Furthermore, the effectiveness of culture and structure regarding task variable could also be viewed in terms of employees' understanding and acceptance of their task.

¹⁵⁵ Hughes, R. E. 2003. *Skill or Diploma? The potential influence of skill-based* p. 179-183

Some employees may be keen to perform certain tasks, which in turn could enhance the performance of an organisation. Individuals could choose to perform a task regardless of its simplicity or complexity while in some instances individuals may avoid performing particular tasks regardless of simplicity or complexity. This could be attributed to individual task preferences and choices. Task as an independent variable plays a vital role to influence the effectiveness and efficiency of culture and structure. The following paragraph will look at the dispersion as another independent variable.

5.3.2 Dispersion

The theory has referred to this variable as virtual organisation¹⁵⁶. Virtual organisation could also be viewed as geographical dispersion of organisational units and employees. Although some departments may be scattered, the implications of dispersion need not become an impediment to an organisation¹⁵⁶. This is due to the fact that organisations operating in disperse environments use technology extensively to link their dispersed divisions. This approach further facilitates the internal and external communication. It also demonstrates that dispersion relies on technology to achieve goals. However, in the context of cultural and structural effectiveness, dispersion could have some serious repercussions in terms of organisational integration and unity. Consequently, some employees might have not met their colleagues physically but technologically. In this context the effectiveness of culture and structure in a dispersed environment could be relevant within the division where a particular group of employees is located. Further to this some organisations might be dispersed only in certain organisational areas. Some could be high in dispersion while others low. Therefore, the implications of geographical dispersion towards culture and structure could be determined by the level of dispersion, which could be extensively high or low. The next paragraph will look at an interaction variable.

¹⁵⁶ Bosch-Sijtsema, P. 2007. *The impact of individual expectations* p. 358-388

5.3.3. Interaction

Another independent variable in this context is the interaction of individuals or employees within an organisation. The extent and the context to which employees interact with each other might have certain implications towards cultural/structural interventions¹⁵⁷. This could be seen in the structure of the task where individuals interact with their peers on the bases of their task schedules. The nature of interaction determines the levels and context of communication. According to the theory, interaction is based on the role played by individuals in terms of their responsibility within an organisation¹⁵⁸. The task performed by an individual could also determine the level of interaction whether high or low. Another level of interaction may be identified in the hierarchical structure. This means that interaction could occur between the levels of management. For instance subordinates may interact with the management on the bases of directive issues. The implications of this variable for culture and structure could play a vital role in influencing cultural and structural success.

High interaction of employees may assist in enhancing the internal integration processes of an organisation. Consequently, this could strengthen the collaboration processes and further contribute to the success of cultural/structural efforts. According to the theory, high and low interaction may indicate the weakness or the strength of culture and structure¹⁵⁹. The interpretation of this is that an extensive interaction of employees in organisations could invigorate the efforts of culture/structure to reduce behavioural variability. The role of these independent variables could also determine the effects of dependent variables, which in this case is human behaviour variable. The relation between independent and dependent variables may negatively or positively contribute to an effective and sufficient culture and structure. The following section will look at the relation between independent and dependent variables.

¹⁵⁷ Travica, B. 1997. *The design of the virtual organisation: conference proceedings*

¹⁵⁸ McMurry, J. 2003. *The relationship between organisational climate and culture* p. 1-10

¹⁵⁹ Syed-Ikhsan, S. O. 2004. *Knowledge management in a public organisation* p. 95-111

5.4 Interrelationship between Independent and Dependent Variables

The relation between task, dispersion, and interaction might consist of certain effects on the dependent variable, which in this context is the human variable. The success of culture and structure may rely on the relation between the discussed independent variables and dependent variables. The literature provides evidence that the endorsement of independent variables by individuals could positively contribute to the success of culture and structure¹⁶⁰. It could be further interpreted that the relation between these variables (independent and dependent) could be exogenous and endogenous.

The extent to which exogenous relations exist may be revealed on the bases of dispersion and interaction of individuals. While endogenous could be based on an internal task and employees within an organisation, it may also be viewed from the dimension of individual preferences. In various organisations individuals may prefer a particular task and to interact with a specific group of clients. This demonstrates the existence of relationship based on individual beliefs and attitude which in turn could be managed through cultural/structural interventions. The nature of relationship between individual preferences or characteristics which is *Dependent variables* may reflect the level of cultural/structural acceptance by employees. The existence of this relationship plays a critical role in that it could influence the performance of employees in various aspects of structure and culture. This could ultimately create a concord between internal organisational processes and individual beliefs and values.

¹⁶⁰ McMurray, J. 2003. *The relationship between organisational climate and culture* p. 1-10

5.5 Conclusion

The consideration of interrelationship between cultural and structural elements could assist mergers especially in HEI to implement the organisational internal and external procedures. In the context of HEI, this chapter has highlighted the significance of employees' *Task*, *Dispersion* and *Interaction* as some of the factors or independent variables that could contribute to the success of the merger. The propositions of the O'Neill model could also benefit the merger of HEI to deal with complexities of the institution. In the context of mergers in HEI, culture and structure therefore, serve as the guiding factor for the establishment of formal guidelines. In the light of HEI involved in mergers, these elements (culture and structure) could be further viewed as the primary source of employees' collaboration. In terms of academic institutions, Culture and Structure as presented by the O'Neill model could also facilitate the cooperation between the staff of the Faculty and the management as well as the tasks that need to be performed. The subsequent chapter will discuss the role and impact of culture and structure in the context of UKZN Faculty of Education.

Chapter 6

Empirical Testing of the O'Neill Model on the UKZN Faculty of Education

6 Introduction

The intention of this chapter is to assess the capacity and the ability of culture and structure in reducing behavioural variability in mergers. The major focus will be on the impact and prospect of organisational elements as a base for the construction of a single organisational identity. In this context special emphasis will also be on the exploration of case studies. Specific cultural/structural variables and historical background of UN and UDW education faculties prior to the merger will be discussed. This will be followed by a similar discussion of UKZN Faculty of Education culture and structure in relation to organisational theory. This chapter will also present Findings and recommendation.

Case One: UN Faculty of Education

This case study discusses a brief history and cultural/structural aspects of UN education faculty from the dimension of independent variables which have been indicated as *Task*, *Dispersion*, and *Interaction*. This will also present the data gathered through interviews and UN documentation. The history of UN dates back to 1910 as Natal University College in Pietermaritzburg. As a result of its rapid growth in a wide range of courses, achievements, and research, it was granted University status in 1949. By that time NUC was already a multi-campus institution, having been extended to Durban during World War I. The UN Faculty of Education was founded in 1928. However, various education programmes were initially offered in 1917. The process of offering these programmes led to the establishment of another education institution in Durban in 1968. The faculty further cooperated with other education institutions like Natal Teacher Training College in Pietermaritzburg and Edgewood College of Education in Pinetown, Durban to offer Diplomas and Degree. This led to the creation of a single Faculty of Education under University of Natal in 2001, which included two schools in Durban and in Pietermaritzburg. The programmes that were offered by this Faculty included *Advanced*

Certificate in Education (ACE), Bachelor of Education (Honours), Certificate in Education, Master of Education, Doctor of Education, and Doctor of Philosophy. This Faculty had 80 full time academic and support staff members, as well as 4500 registered students¹⁶¹. The following section will look at various tasks in which employees of the Faculty were involved.

Task

The task of the employees in this Faculty consisted of various aspects. Firstly their main task was lecturing and this included the supervision of postgraduate students. This type of task could be interpreted as an internal and simple task. Apart from lecturing duties, the academic staff was also engaged in complex tasks. Some of their internal tasks were also complex. The data obtained through UN documentation reveals that staff has been actively engaged in policy formulation at Provincial and National Government level. They were also extensively involved in research activities and publishing locally and internationally.

According to the interviews held with some academics, it emerged that their task also involved the academic coordination and administration duties of the modules related to their areas of specialisation. Further to individual academic task, the Faculty adopted a standard task procedure, which included the following: Instructional activities consisting of tutorials, practicals, seminars, fieldwork, preparation, marking, internal and external examining. Other tasks included consultation with students, course curriculum development including material development in both post and undergraduate. While they were performing these duties, some employees were in different locations. The following section will explore the geographic dispersion of this faculty.

¹⁶¹. *University of Natal Focus*, 1995 p. 13

Dispersion

According to the discussed theory, dispersion referred to geographically scattering of organisational units. In this context the UN Faculty of Education operated in an extensive dispersed environment. The data obtained from this Faculty has revealed that some Educational modules were offered in various places. Some programmes for instance were available in Pietermaritzburg, Pinetown, and Durban. Other modules were also offered as correspondence courses. This has been indicated in the programme of CAE, where courses were also offered using distance materials with tutorials. The distance between Durban and Pietermaritzburg is ± 65 Kilometers and between Pinetown and Durban is ± 20 kilometers. The circumstances under dispersion could raise the question of interaction among the employees in various locations. The following section will look at the context of interaction in the UN Faculty of Education.

Interaction

The interaction of individual or employees in this Faculty occurs in various contexts. During interviews that were held, the staff of this Faculty had revealed that their interaction with peers was attributed to their task responsibility. It also emerged that interaction takes place within and outside the Faculty. This could be identified as an internal and external interaction. Employees have further revealed that they interact within their programmes on the bases of standardised procedures. Other interaction occurred during Faculty seminars and workshops where staff from different programmes discussed and determined policies. Furthermore, individuals interacted with peers from other institutions on the bases of external examination and moderation. This highlights the fact that the interaction in this Faculty was threefold. To recapitulate this, individuals interacted within their programmes and individuals from other programmes as well as employees from other Faculties of different Universities. The subsequent section will explore the relation between cultural/structural aspects and UN independent variables.

Relationship between Cultural/Structural and UN Independent Variables

The task, dispersion, and interaction of former UN Education Faculty could be related to theoretical organisational culture and structure. Some aspects of UN programme structures are decentralised and others are centralised. This has been evident in programmes that had been offered in various modes, for instance correspondence courses, and this highlights the decentralised method. These variables for example the interaction could be related to informal structure, which has been discussed in paragraph 3.2.9. The interaction of UN employees with other Faculties of Education from different Universities could lead to the establishment of informal structures. Another relationship could be identified between dispersed variable of UN and subculture discussed in paragraph 2.2.2. The dispersed units of this Faculty for example in Pietermaritzburg or Durban have developed their own subcultures. This also demonstrated the elements of decentralisation. Coordinators or Heads of Department interacted with support and academic staff, which had led to the emergence of subcultures in various divisions. According to the discussed theory of culture and structure, the task variable of UN had demonstrated that employees had performed both simple and complex tasks. This further highlights the existence of the relationship between complexity structural element discussed in paragraph 3.3.1 and the external task where UN employees interacted with outside peers as part of executing their tasks. Therefore, each of the independent variable of UN relate to theoretical aspect of culture and structure. The following section will explore the task, dispersion, and interaction with special reference to UDW.

Case Two: UDW Faculty of Education

The major focus of this case study is based on the history and independent variables of UDW. The history of UDW dates back to 1961 as the University of College for Indians on Salisbury Island in Durban Bay. During the 1960s the number of students was very low due to the congress alliances policy of shunning apartheid structures. In the 1980s the policy gave way to a strategy of Education under protest, which sought to transform apartheid institutions into sites of struggle. In 1971 the number of students grew rapidly

and the University College was granted University Status. The following year, the newly named University of Durban Westville move into its modern campus in Westville and was a site of major anti-apartheid struggle. UDW became an autonomous institution in 1984, opening up to students of all races. A department of Education was established within the Faculty of Arts. During its developmental stages, the department consisted of five staff members. In 1965, the department was converted into a fully fledged Faculty of Education. The primary purpose of the Faculty was to provide a diversity of teacher training courses. The courses that were offered by the Faculty included: *Higher Primary Certificate, Junior Secondary Teachers Diploma, the University Education Diploma, as well as Higher Primary Teachers Diploma*. The duration of these courses were all three years full time and the admission requirement was a matriculation. Other programmes that were also offered were *B. Paed Degrees in Arts, in Science, in Commerce, in Home Economics, and in Primary Education*. Further to these programs, the Faculty introduced Postgraduate programs during the 1980s and they were *Masters Degree in Education* and *Doctorate Degree in Education*. Therefore, as the Faculty grew tremendously to offer a variety of programmes, the number of staff also grew. The following section will look at the task that was performed by the staff.

6.2.1 Task

The data obtained from the Education Faculty concerning the responsibilities of staff revealed that academics were engaged in various tasks of Educational activities. Apart from the basic tasks which included lecturing, student research supervision, examination setting and marking, individuals' were involved in various academic research activities¹⁶². The data has also revealed that staff especially Head of Departments or programmes were particularly involved in curriculum development. As the Faculty continued to experience growth in courses that were offered, the coordinators were also expected to provide administrative duties in certain modules. Other tasks obviously included participation in seminars, research publications and to provide input in Faculty's policy formulation.

¹⁶² Oosthuizen, G.C. 1981. *Challenge to a South African University* p. 83-86

The following paragraph will look at the environment in which these duties were performed with special reference to geographical dispersion.

6.2.2 Dispersion

According to the history and the location of UDW, the Faculty has operated within the premises of the institution. The data generated through interviews and UDW documentation had illustrated that the Faculty staff had a privilege of operating in close geographical proximity. Based on the interviews that were individually held with staff, it emerged that all Educational programs of UDW were offered within the campus. This had played a critical role in facilitating an effective communication channel within the Faculty. Therefore, the minimum dispersion of the Faculty's unit could also assist employees in major decisions and interaction. Since UDW Education Faculty units operated closely to each other, the following section will look at the interaction process within the Faculty and with other Institutions.

6.2.3 Interaction

The data gathered through UDW documentation demonstrated that staff interaction is based on their assigned responsibilities. Individuals had expressed through interviews that as an Academic Department, it is part of their mandate to extensively interact with peers in the fraternity of Higher Education. The interaction of staff is also based on external examination, moderation, policy formulation, and conference participation. Therefore, in this instance it emerged that interaction was two fold. Firstly it occurred between staff and students, and as well as among staff from various programmes within the Faculty. Secondly, it occurred through collaboration with other Universities and Government Institutions, particularly the Department of Education. The paragraph below will explain the relationship existing between UDW independent variables and the theory of culture and structure.

6.2.4 Relationship between Cultural/Structural and UDW Independent Variables

The relationship between the discussed UDW independent variables and the theory of culture and structure could be identified through UDW's various programmes. For instance the programme in *Bachelor of Education* and *Postgraduate Diplomas* consists of HOD, Coordinators, as well as staff (lectures). The communication occurred between programme managers and staff from other programmes and this reflects the organic structure discussed in paragraph 3.2.1. Heads of department from various programmes also gathered to design Educational programmes in order to assist those who are already in the teaching profession to improve their training qualification. This action could be associated with the previously discussed team structure revealed in paragraph 3.2.4. Therefore, UDW *Simplistic task*, *Dispersion*, and *Interaction* independent variables particularly reflect the structural theory.

The interaction variable had also led to the emergence of the relationship between UDW Education Faculty staff and other Faculties from various Universities. The relationship based on interaction variable could be associated with the informal structure discussed in paragraph 3.2.9. Cultural aspects might have been developed through the process of communication or interaction during the programme design. In this context the type of culture that could emerge is task achievement culture discussed in paragraph 2.2.8. Another relationship that could be highlighted is based on the subculture discussed in paragraph 2.2.2 and tasks performed by the faculty staff. The duties assigned to individuals in different programmes could result in the emergence of subcultures as individuals gather together to perform task in their specialties. The subsequent section will recapitulate on the discussed case studies and present the findings of these case studies.

6.2.5 Findings

The discussion of the above case studies has revealed that both UN and UDW had been engaged in similar activities in terms of Higher Education Institution processes. According to task independent variable both institutions had fewer tasks and less complex tasks. Therefore, they both operated in simple and complex environment, which had been characterised by extensive interaction. However, according to dispersion both Faculties were different from each other. For instance it has been noticed that former UN had operated under extensive high dispersed environment, while UDW had been in close geographical proximity. The UN Faculty of Education existed in three different locations, namely Durban, Pinetown, and Pietermaritzburg. Another finding from the above case studies is that their independent variables were almost related to each other with the exception of the programme they offered and the structure of courses. The following section will deal with the combination of these Faculties following the merger.

6.3 Case Three: UKZN Faculty of Education

The merger of the above discussed Faculties had ultimately resulted in the newly formed Faculty of Education under University of KwaZulu-Natal (UKZN). This Faculty came into existence in the year 2004/2005. It consists of six schools, which have already been indicated under paragraph 1.1. The Faculty management consists of the Dean, Deputy Dean, Faculty Manager, Faculty Officer, and the Secretary to the Dean. The new Faculty has more than 140 Academics including support staff. Each of the six Schools consists of HOD, coordinators of different disciplines and staff. The following table illustrates the disciplines or programmes that are offered by this Faculty.

School	Discipline/Programme Offered
1. School of Education Studies (24 academic staff including support staff)	Educational Psychology, Curriculum Studies, Educational Technology, Gender and Education, Early Childhood Development, Professional Studies & Research
2. School of Adult & Higher Education Studies (25 Academic Staff Members including support staff) This School consist of: <ul style="list-style-type: none"> • Centre for Adult Education (CAE) • Centre for Higher Education Studies (CHES) 	Adult & Community Education Program, Adult Literacy, Basic Education & Development Program, Community Education Program, Extra Mural Studies, Research & Development Program, CHES deals with Postgraduate Program in Higher Education e.g. (Med)
3. School of Language, Literacy, Media & Drama (25 Academic Staff Members including support Staff)	English, Afrikaans, IsiZulu, Drama and Media
4. School of Social Science Education (19 Academic Staff Members & 2 Administrators)	Art & Culture, Commerce which covers disciplines like Business Economics, Business Management, and Economics, and Accounting, Geography, History, Life Orientation, Sports Science, and Travel & Tourism
5. School of Education Development (17 Academic Staff Members including Administrators)	Advance Certificate in Education, Postgraduate Certificate in Education, National Professional Diploma in Education.
6. School of Mathematics, Science, Computer, and Technology Education (33 Academic Staff Members including support staff)	Science Education, Mathematics Education, Computer Education, and Technology Education.

Table 6.1 - UKZN Education Faculty Schools and Programmes

Source: Mazibuko, F. 2005 p. 2

Further to the above table the following sections will explore the task, dispersion, and the interactions of this Faculty.

6.3.1 Task

The task performed by individuals in this faculty entails different aspects. Their tasks are structured according to staff specialties and responsibilities. For instance one of the major duties for Heads of Department includes the provision of leadership through academic research. They are also expected to coordinate and maintain stability and proper functioning of the school. Coordinators of different disciplines and staff are responsible for undertaking research in various programmes and to teach courses in their specialty. This covers Post and Undergraduate levels. Through the collected data some individuals have expressed that they are performing the same tasks that they previously performed prior to the merger. However, some have expressed through interviews that the level of research activities has increased as the Faculty has grown tremendously. The documentation of this Faculty had revealed that the contact session between staff and students as well as research activities had increased. It also emerged through interviews that their former institutions opened the opportunities for developing the staff members and enhance their skills by participating extensively in various educational conferences. Some of the duties executed by individuals for example in the school of Mathematics and Science included curriculum delivery and research in Technology Education. Most of the duties had brought challenges to individuals to further or advanced their studies. The subsequent section will reveal the dispersion of this Faculty.

6.3.2 Dispersion

The Faculty continued to utilised the facilities that were previously used by former UN and UDW. As a result the faculty exists in multiple locations, namely Edgewood (Pinetown) and Pietermaritzburg. Some of the programmes are offered in Pinetown and as well as in Pietermaritzburg. The data generated through interviews and documentation had also emphasised the dispersion of staff. Individuals have further expressed that due to the dispersion, they travel extensively for Faculty's workshops and seminars. The context of high dispersion further raises the manner in which the Faculty handles the interaction. The paragraph below will discuss the interaction variable of this Faculty.

6.3.3 Interaction

The interaction in this Faculty is attributed to individual tasks and their involvement in certain activities of the Faculty. The staff of this Faculty have expressed that some of their duties entails International and National interactions. This is also based on the communication with National and Provincial Government Department and Private institutions. Apart from communicating with colleagues within the Faculty and students, some individuals have stated that their duties enable extensive interactions with stakeholders of the Faculty. This indicates that the interaction in this Faculty is based on the context and role which is played by individuals. This interaction could be identified as external interaction with peers who are in the same industry. Furthermore, the collected data has also indicated that another extensive interaction occurs within the schools. This normally takes place during policy reviews, and curriculum development. The majority of staff have also expressed that interaction does not only occur within their schools, it covers the entire Faculty on the bases of developing the Faculty manual. Therefore, this interaction also highlights the characteristics of organic structure. The subsequent section will further explore the relationship between cultural/structural theory and the UKZN Faculty of Education.

6.3.4 Relationship between Cultural/Structural and UKZN Independent Variables

The relationship between cultural/structural theory and the UKZN Faculty of Education could be identified on the bases of the Faculty's Structural approach. According to the discussed O'Neill model description of structure, he emphasised two things. These are decentralisation (the process of making decision). He also mentioned formalisation (the process of rule enforcement as well as control). In terms of control the structure of the UKZN Faculty of Education facilitates easy control as the span of control is flat in these schools. For example in the School of Education and Development consists of 17 staff members. According to O'Neill model this facilitates easy communication between the Head of School and academic staff. According to different types of structures discussed in chapter three under paragraph 3.2.1 this structure can be identified as organic structure.

Since programmes have been structured and categorised, this can also be viewed as departmentalisation. The documentation has indicated that there is an interaction between all the Schools of the Faculty mentioned in Table 1. In terms of decisions making process, each school is responsible for making its own decision. According to cultural/structural theory and the model, this relationship is interpreted as decentralisation¹⁶³. However, their decisions had to be impeccable and reflect the culture of the entire Faculty and the institution. Concerning culture, this Faculty has developed certain cultures based on schools collaboration and interaction.

According to O'Neill and organisational cultural/structural theory, the culture of UKZN Faculty of Education reflects two aspects, namely formal and informal culture¹⁶³. The formal culture is identified as a new curriculum and new rules, while informal culture refers to the interaction of individuals based on their research interests. The data received from various members of the Faculty reveals that the schools have developed some trends and this illustrates the existence of informal culture. According to informal culture the O'Neill model further specifies it as shared meanings, communication and various practices¹⁶³. Further to formal culture O'Neill has expressed it as the consensual schema which could be indicated as document consensus¹⁶³. This may also be described as a formal document guiding the institution.

The Faculty of Education had compiled the formal document, which could be further viewed as the Faculty Handbook. This Faculty Handbook contains rules and procedures, which binds the Faculty together. According to different types of cultures discussed in chapter two this may be identified as the Dominant Culture discussed in paragraph 2.2.1. This book specifies the process of assessment, prerequisite and the content of the modules. The relationship between cultural/structural theory and this Faculty could also be identified through Academy Culture discussed in paragraph 2.2.4. Individuals have revealed through interviews that their new task had now brought challenges that require them to acquire more skills and to develop their knowledge through research. This is

¹⁶³ O'Neill, J. 1997. *A structure and culture model of organisational behaviour* p. 1-16

similar to the Academy Culture discussed in paragraph 2.2.4. Another relationship exists through the role played by individuals. For example Head of Departments through their roles in different disciplines have developed the culture that can be associated with Role Culture discussed in paragraph 2.2.6. Their duties necessitate frequent interaction among them as HOD's and this had ultimately led to the emergence of a culture that is similar to Role Culture. To recapitulate on the above discussion, the relationship between UKZN independent variables and cultural/structural theory is extensively based on departmentalisation, formalisation, and decentralisation. The following paragraph will explore the findings and recommendations of the UKZN Faculty of Education.

6.4 Findings and Recommendations

One of the specific findings of this study is that the UKZN Faculty of Education is characterised by human variability, which is attributed to the diversity of individuals' background and experience. The *task*, *dispersion*, and *interaction* have also been found to be contributory factors of human behavioural variability. The diversity and independent variables in the Faculty have resulted in the emergence of multiple cultures, for example *Dominant*, *Subculture*, *Role* and *Academy Culture*. With regard to different cultures, it has also emerged through documentation that UKZN has further nurtured the culture of commitment and high performance among the staff of the Faculty. Regarding the structure, this study has found that the Faculty consists of extensive departmentalisation and decentralisation. The departmentalisation and decentralisation could also be attributed to the fact that the Faculty has six Schools mentioned in table 1. Therefore the structure, which has been specifically adopted by the Faculty of Education, is *Organic Structure*. Other findings of this study are based on the Faculty's *task*, *dispersion* and *interaction*. For instance the *task* performed by employees in the UKZN Faculty of Education is characterised by complexity. It has been revealed through interviews, data, and documentation that the UKZN Education Faculty operate in a complex environment. According to the *dispersion* independent variable, it has been found that the Faculty is extensively geographically dispersed. The documentation has further expressed that some of the schools or departments of this Faculty are separated by

a distance of ± 60 kilometers. Some units for example Centre for Adult Education (CAE) are based in Pietermaritzburg. Other schools are based in Durban and Pinetown and are separated by a distance of ± 20 kilometers. Through the collected data and interviews with staff members of the Faculty, including the documentation and the theory, it may be deduce that the Faculty has *complex task* and *high dispersion*.

Another finding of this study is based on the interaction independent variable. The study has also found that UKZN Education Faculty is also characterised by an extensive interaction. This has been revealed through case studies and interviews. Individuals have expressed an extensive communication within and outside the Faculty. The finding is that the interaction occurs between staff members including the HOD's, Students, Faculty Management, and the Faculties of other institutions. This also includes Provincial and National Department of Education. It also emerged that the majority of staff had been extremely involved in various aspects of policy formulation for the Faculty through workshops and seminars. This provides the response to the research question about individual involvement in cultural/structural creation in mergers.

Another finding is that the merger had not created the negative impact since individuals had been previously performing the same tasks prior to the merger. This brings another response to the research question about the extent to which cultural and structural dimension affect and effect the merger.

With regard to the above-mentioned findings, which emphasise the *complexity task*, *high dispersion* and *high interaction* in the Faculty, some specific cultural intervention may be recommended. Further to the already established *Dominant Culture*, *Subculture*, *Role Culture* and *Academy culture* in the Faculty, this study recommend the nurturing of the *Task/Achievement culture* discussed in paragraph 2.2.8 to UKZN Faculty of Education. The recommendation of the *Task/Achievement* culture is based on the Faculty's desire to achieve quality goals through the Faculty's vision. Task/Achievement encourages team work and individual dedication and commitment of employees.

Concerning the encouragement of the team work this study further recommend the implementation of *Organic Structural* intervention paragraph 3.2.1. The recommendation of an *Organic Structure* as the *Decentralised structure* is based on the fact that academics may be required to provide a quick respond to arising challenges. Therefore *Task/Achievement* cultural intervention and *Organic Structural* intervention could assist the UKZN Faculty of Education to drastically reduce the human behavioural variability.

6.5 Conclusion

The focus of this study has highlighted the significance of cultural/structural intervention in the reduction of human behavioural variability particularly in the context of HEI in mergers. Furthermore, culture and structure have also been indicated as potential mechanisms to stabilise the newly merged academic institutions. The success of HEI mergers could therefore depend on the effectiveness of an appropriate cultural/structural mechanism. Organisations that are engaged in HEI mergers further needs to identify specific independent and dependent variables that could impede the effective functioning of culture and structure. This could assist in applying the relevant cultural/structural intervention approach in HEI mergers. Some of the variables could be attributed to human characteristics. The application of an appropriate and effective culture and structure could be determined by the level of intensity of specific variables. This chapter has revealed *task*, *dispersion*, and *interaction* as independent variables that could be associated with the relevant cultural and structural intervention in the merger of HEI.

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Appendix

Interview Questions

1. What role did you play during the merger in your department or in programmes offered by your department?
2. Were there any positive or negative changes in your task after the merger?
 - (a) Can you briefly explain the positive changes?
 - (b) Can you briefly explain the negative changes?
3. How did communication occur during the transition or merger process, e.g. Regular Meetings or Committee Meeting etc?
4. Did you find any challenges in adapting to new procedures of UKZN Education Faculty (if yes, what were they?)
5. Do you feel that you were consulted enough in terms of curriculum design or development in your department?
6. Does your task interact with external environment, (e.g. people who are involved in the same field but from outside your institutions)
7. What was your general feeling or perception about moving from your old institution to new UKZN Faculty of Education?
8. Did you experience any difficulties in working with employees from the institution you merged with in terms of diverse ideas?
9. After the merger were you willing to share your knowledge or expertise with your new colleagues?
10. Are you comfortable to work under the new culture and structure of UKZN or new rules and procedures?