

Transformational Leadership on Employee Performance in Post-Acquisition of a Company

Intan Ratnawati^a, Augusty Tae Ferdinand^b, Suharnomo^c, ^{a,b,c}Management Department, Diponegoro University,

The importance of human factors and the challenges posed by post-acquisition integration process has become an issue, as these factors implicate post-acquisition performance to achieve successful integration. The objective of this study was to analyse the influence of transformational leadership on the performance of post-acquisition employees through intervening variable of readiness for change and critical change adaptability. Previous research has not specifically explored these variables. This study analysed samples of four post acquisition companies in Indonesia consisting of two manufacturing companies and two service companies. The results revealed that transformational leadership affects readiness to change; readiness to change affects adaptability of critical change; transformational leadership affects the ability to adapt to critical change, and adaptability of critical change affects the performance of post-acquisition employees.

Key words: *Transformational Leadership, Readiness for Change, Critical Change Adaptability, Employee Performance.*

Introduction

Acquisition has been identified as affecting employees' performance during times of uncertainty. However, acquisition has been accepted as a popular strategy for expansion and diversification as well as a strategic tool for settling a company's market domination.

Acquisition is a dominant mode for achieving company growth in a global and complex business environment (Aguilera et al., 2004), as technology development has triggered and created a possible way for implementing strategic expansion through acquisition (Shimizu, Hitt, Vaidyanath, & Pisano, 2004). Therefore, acquisition comes with a very quick change in response to the company relationship with its stakeholders. The change is real in the form of

size of ownership (Hagedoorn & Duysters, 2002), business image (Muzellec & Lambkin, 2006) new integrated unit for work (Mayrhofer, 2004) and possibly relative change such as relationship mode and new working behavior.

Acquisition is the most common way and a strategic instrument for companies to grow (Weston & Kwang, 1983). However, researches have indicated that the results to some extent has been questionable, as the failure rate of the acquisition is high in terms of poor performance, low profit, and falling of share price in the market (Appelbaum, Roberts, & Shapiro, 2009; Bellou, 2007). In addition, negligence in leading change is also a factor of acquisition failure (Cartwright & Schoenberg, 2006). In this case, adaptation functions as a means of understanding the capacity of individuals to constructively regulate their behavior in responding to new conditions (Martin, 2012). Theoretically, adaptability has direct implications for the achievement of success, especially when dealing with environmental changes.

As far as literature review is concerned, the studies of acquisition have not discussed thoroughly the effects of acquisition on work behaviour and employee behaviour in a post-acquisition company (Sanda et al., 2011), but few studies put emphasis on the influence of the acquisition experience (Laamanen & Keil, 2008). Therefore, organisations should put emphasis on whether staff can adapt effectively to the existing change and quickly respond to it in order to take its competitive advantages for organisational survival (Griffin, Parker, Neal, & Parker, 2007). Besides task and contextual performance, a new performance category called adaptability has been gradually taken seriously into account and become an issue of concern to many researchers (Chen, Thomas, & Wallace, 2005).

Given this situation, the objective of this research was to analyse the effects of transformational leadership, readiness for change on employee performance through the ability to adapt to critical change adaptability. The study was conducted on two post-acquisition manufacturing companies and two post-acquisition service companies in Indonesia. SEM (Structural Equation Modeling) was applied to analyse the hypotheses. In the last section, there are discussions, conclusions, and some limitations of this study.

Literature Review

a) Transformational Leadership

Burns (1978) in his descriptive study of the first introduced concept of transformational leadership defines it as the process by which leaders and employees help each other to achieve an advance level. His theory was further expanded by Bass and his colleagues by developing it into survey instruments to assess transformational leadership (B. M. Bass & Avolio, 1990).

Transformational leadership took place when a charismatic and visionary leader transformed his followers to be greatly interested in, and believe that the leader performances contributed to the accomplishment of the companies' objectives (de Jong & Den Hartog, 2007). Furthermore, transformational leadership put emphasis more on organisational learning and employee creativity skills, as they contribute to innovation (Raja & Palanichamy, 2011).

b) Readiness for Change

Workforce behavioral change might apparently be seen after a business merger and brought positive or negative impact on working behavior. In this case, Schiffbauer, Siedschlag, and Ruane (2017) confirmed the positive effects of labor productivity due to capital deepening but not due to total productivity factor. A study on the changes after merger and acquisition proposed a positive lesson learned on the importance of people first approach (Jap, Gould, & Liu, 2017).

The organisational change may fail to bring about a positive impact on organisation life due to resistance factors such ineffective communication, insufficient planning, lack of readiness, leadership failure uncertainty (Shah, Irani, & Sharif, 2017). Therefore a readiness for change should be well developed and cultivated within an organisation for handling the regular change or structural change that might happen in the organisational life.

c) Critical Change Adaptability

The environment of acquisitions, mergers, and restructuring requires employees to be able to adapt and extend their skills to be competitive for different jobs. Therefore, planning for change, establishing clear timeframes, and addressing critical factors that affects successful change are imperative (Chrusciel & Field, 2006). According to Greiner (1972), in the case of critical change, the leader's most important tasks is to encourage adaptability, create vision of change, and find the right new organisational practices.

Organisational change is a complex process, and it is not always linear and many problems are taking place at once (Castel & Friedberg, 2010). Therefore, workers were required to be more adept, flexible, and tolerant to the uncertainty in order to work effectively in the changing and varied environment. When employees are able to adapt quickly, firms will be more capable to take steps to the change without difficulty (Oosterhout et al., 2006), thus, adaptability is a competitive base (Ramasesh, Kulkarni, & Jayakumar, 2001).

d) Employee Performance on Post Acquisition

Workplaces can be characterised by frequent changes in the organisation due to globalisation, competition, innovation, complicated regulation, business growth, and end user preference (Pasmore, 2011). However, most efforts to manage change mostly focuses on structural intervention (Armenakis, & Harris, 2009), and employee issues were often ignored. In reality, they were part of the inescapable decisions taken by top management. The ability to drive power for an organisation change depends fundamentally on the degree of the employees' openness, dedication, and motivation (Bernerth, 2004; Eby, et al., 2000).

Whenever leaders operationalised a change, employees would react to the change. If employees misinterpret the leaders' idea to apply a change, they may experience uncertainty about the specific behavior needed to achieve the desired change (Sonenshein 2010). Consequently, tension might increase because employees tried to acquire new work routines while sustaining the previous stages of performance.

Hypotheses

a) Effect of Transformational Leadership on Readiness for Change

Studies on transformational leadership demonstrated the multi effect of the transformational process in leading people such as energising a strong basis for employee adaptability and being proactive at work (H.J.Wang, Demerouti, & Le Blanc, 2017). The transformational leader is a source of and trigger for career developments, work-related information, knowledge, and experiences. The leader must be open and willing to guide the workers (H. Wang, Law, Hackett, Wang, & Zhen Xiong, 2005), as well as stimulating the transformational interactions.

In a new reformed organisation such as after a merger and acquisition, transformational leadership is supposed to be the source of influential idealism, stimulating enthusiasm, knowledgeable acquisition, and individual consideration (Li & Yuan, 2017); so that, employees working under a transformational leader will have unlimited opportunity to get involved in capacity building in and outside the organisation. Moreover, transformational leadership is a strategic antecedence for organisational capacity building through accumulating knowledge, skills, experience and sharing it with another team member in the organisation (Tseng & Lee, 2014), as a basis for energising interaction particularly in a new reshaped organisation.

Thus, the proposed hypothesis is:

H1. Transformational leadership has a positive influence to readiness for change.

b) Effect of Readiness for Change on Critical Change Adaptability

The involvement of human resources in all stages of acquisition, especially at the pre-acquisition stage, is fundamental. Therefore, top management should immediately assign the acquiring and acquired HR department to formulate a roadmap for strategic planning to guide all employees through a difficult process and resolve any problems possibly occurred. Organisational readiness is a state of an organisational adaptation in terms of trying to reorganise the organisations following the changing environments (Ramnarayan, 2011).

Understanding the adjustment process among employees is essential because, eventually, the success of the change within the organisation will be achieved when the recipients of the change support and implement it (Armenakis & Harris, 2009; Bovey & Hede, 2001). Readiness for change referred to a collective decision of the organisation members to apply the change (commitments for change) and mutual trust to the collective ability (changes in efficacy). Furthermore, in term of counterbalancing to resistance during the changing process, readiness for change should be taken into account (L.T. Eby, Adams, Russell, & Gaby, 2000; Armenakis et al., 1993; Armenakis & Harris, 2002; Eby et al., 2000).

Therefore, the following proposed hypothesis is:

H2: Readiness for change has a positive effect on critical change adaptability.

c) Effect of Transformational Leadership on Critical Change Adaptability

An uncertain and anxious environment resulting from an acquisition needs to be well managed by a very effective transformational leadership (Waldman et al., 2004). Herold et al., (2008) further confirmed that transformational leadership encourages organisational change; while, Nemanich & Keller, (2007) found significant and positive correlation between transformational leadership and acquisition acceptance.

Meanwhile, Vera & Crossan (2004) acknowledged the role of transformational leaders in visualising different a future from the current situation and inspired subordinates to reach it. Previously, Bass (1999) confirmed that transformational leaders through sharing interesting visions, guiding through adaptation, and inspiring to achieve challenging goals have recognised the employees' need for change. Thus, they seek to encourage creativity, change, experimentation, and risk-taking (B. M. Bass et al., 2003; Mittal & Dhar, 2015). In fact,

adaptive performance comprises of the capability of working creatively and learning new skills, managing stressful situations, and accommodating diverse social contexts (Han & Williams, 2008; Pulakos et al, 2000).

The hypothesis proposed is:

H3: Transformational leadership positively influence critical change adaptability

d) Effect of Critical Change Adaptability on Employee Performance

Researchers have considered employees adaptability; the tendency of the employees to adapt to environmental changes (Ployhart & Bliese, 2006) as well as the perceptions of the employee to the working environment (Bartunek et al., 2006; Rafferty & Griffin, 2006). Organisations would recognise flexible employment by their changing performance requirements, adaptation processes, and response to work innovation.

Accordingly, companies that easily respond to change are easily adapted, which is the basis for competition (Ramasesh et al., 2001). Meanwhile, as successfully negotiating and integrating business combinations are a complicated and difficult process (Haspeslagh & Jemison, 1991; Jemison & Sitkin, 1986), organisational flexibility (Hitt, Keats, & DeMarie, 1998), treatment of employee sensitivity (Hitt et al., 1998; Lubatkin, 1983), and cooperation among line managers in the pooling group are fundamental to success (Haspeslagh & Jemison, 1991).

The following hypothesis proposed is:

H4: Critical Change Adaptability positively affects Employee Performance.

Methodology

The population of the research consisted of two manufacturing companies and two service companies acquired since 2014 in Indonesia. A middle-level employee with a minimum two years working period participated in this research. Among 400 respondents sampled, 234 questionnaires (58.50%) were valid to be analysed.

Likert scale covering ten points; (1) "strongly disagree" to (10) "strongly agree", was used to measure all variables.

- a. Transformational Leadership is measured by supporting in understanding vision after change, strength in managing change, energising to cope with change (Bass et al., 2003;

McColl-Kennedy and Anderson, 2002; Yukl, 1999). In this study, with a sample of 234, the Cronbach alpha was 0.777, which was higher than 0.70; the recommended level (Nunnally, 1972).

- b. Readiness to change is measured by being able to convince people to accept change, accept and cope with the reluctance, and support when changed (Prochaska et al., 1994). The Cronbach's Alpha obtained was 0.820.
- c. Critical Change Adaptability is measured by the ability of the employees to cope with the unexpected change, the work of stress after change, to be openness to interaction with new people after change, and to be openness to unexpected change (Light, Kid, De Monaco, Freeland, & O'Sullivan, 2001; E. D. Pulakos, Dorsey, & White, 2006; Elaine D Pulakos, Arad, A. Donovan, & E. Plamondon, 2002). The Cronbach Alpha was 0.812.
- d. Employee Performance is measured by improved quality, improved productivity, promptness in achievement, and improved work behaviour (Kanfer, 1990). The Cronbach's Alpha was 0.86.

Results

The data was analysed using the Structural Equation Modeling (SEM), but the correlation value among variables was first tested as exhibited in table 1.

Table 1: Descriptive Statistic and Correlation Test

Variable	Mean	Std. Deviation	1	2	3	4
Transformational Leadership	7.6339	.68318	1			
Critical Change Adaptability	7.6870	.59372	0.249**	1		
Readiness to Change	7.3618	.67176	0.212**	0.422**	1	
Employee Performance	7.7037	.58397	0.360**	0.422**	0.285**	1

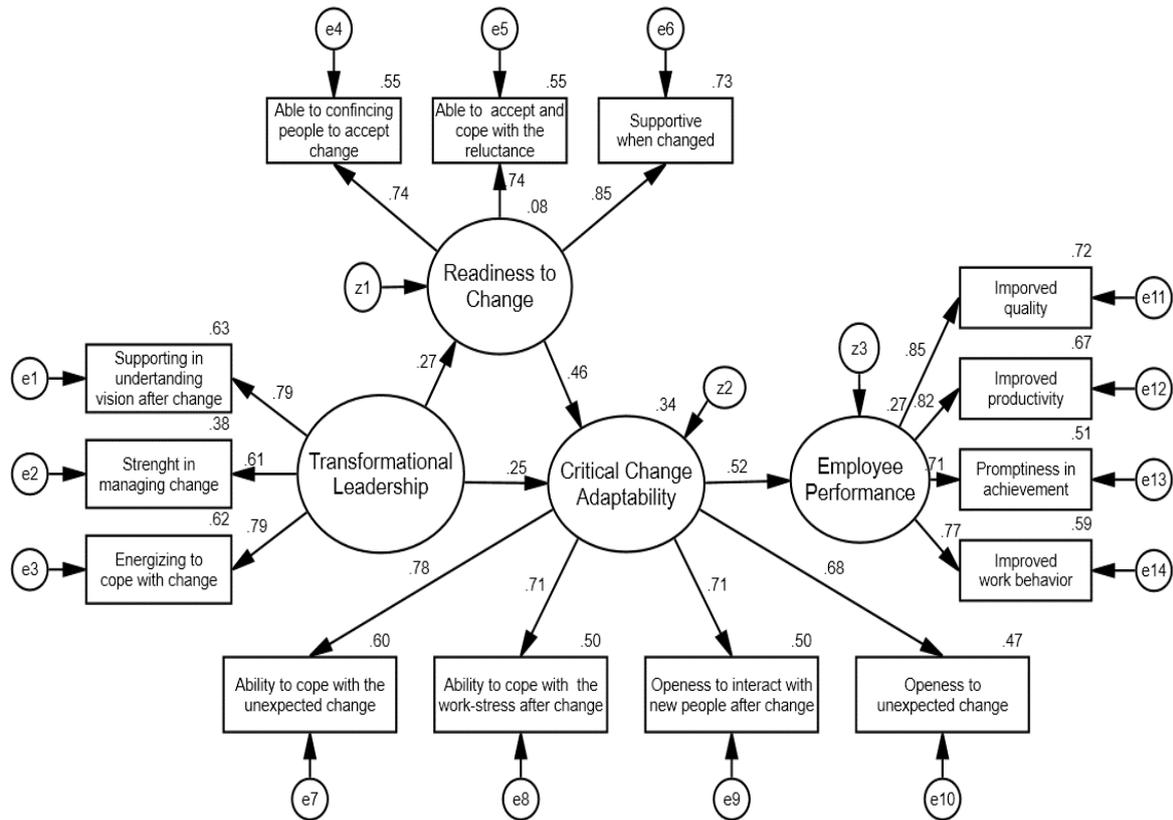
** . Correlation is significant at the 0.01 level (2-tailed).

The result of table 1 shows a positive and significant correlation value between Transformational Leadership, Critical Change Adaptability, Readiness to Change, and Employee Performance. Meanwhile, the mean and standard deviation value confirmed that there was no indication of variables that had high variance.

To determine the indicators used in the model, Confirmatory Factor Analysis (CFA) was used. From the CFA test, the expected loading factor of each indicator was > 0.5 ; however, the results showed that there was no indicator that the value of Loading Factor was less than 0.5. Therefore, all indicators in the model could be used to predict the variable. After

conducting CFA pre-test, full estimation of the structural model was carried out, and the test results are presented in figure 1.

Figure 1. Full model structural



Chi square =93.832; p =.051, GFI =.946, TLI =.980, CFI =.984, RMSEA =.035

To test the accuracy of the model, Model Fit Index was used and the results is presented in Table 2.

Table 2: Model Fit Index

Criteria	Cut Off	Result	Conclusion
Chi-square	Expected small	93.832	Marginal
Significance Probability	≥ 0.05	0.051	Fit
CMIN/DF	≤ 2.00	1.285	Fit
RMSEA	≤ 0.08	0.035	Fit
GFI	≥ 0.90	0.946	Fit
TLI	≥ 0.90	0.980	Fit
CFI	≥ 0.95	0.984	Fit
AGFI	≥ 0.90	0.923	Fit

Model fit index indicated that the model fit well to the data, and the hypothesised model was significantly better fit than the null model. All modification indices for the beta pathways among major variables were small; therefore, adding an additional path would not significantly improve the fit. The covariance residuals were small and centered around zero. The finding from the regression estimates for SEM that all variable had positive and significant pathways (Table 3). In other words, all hypotheses in this study are accepted.

Table 3: Regression Estimates

Variables			b	SE	C.R.	P	Note
Readiness to Change	<---	Transformational Leadership	0.236	0.07	3.346	***	Significant
Critical Change Adaptability	<---	Transformational Leadership	0.225	0.069	3.251	0.001	Significant
Critical Change Adaptability	<---	Readiness to Change	0.479	0.085	5.609	***	Significant
Employee Performance	<---	Critical Change Adaptability	0.538	0.08	6.690	***	Significant

Table 4 displays satisfactory reliability and validity construct for the quality of the measurement model of the sample. The value of the reliability construct ranged from 0.779 to 0.8680, while the value of the validity extracted was greater than 0.5. The results proved the convergent validity from examination of both the significance of the loadings factor and the shared variance. The amount of variance captured by s construct should be greater than the measurement error (0.5)

Table 4: Reliability and Validity Construct

Variables	ReliabilityConstruct	Variance Extracted	Cronbach Alfa
	CR > 70%	AVE> 50%	C.A < 0.7
Transformational Leadership	77.90%	54.27%	0.777
Readiness to Change	82.20%	60.72%	0.82
Critical Change Adaptability	81.10%	51.85%	0.812
Employee Performance	86.80%	62.30%	0.867

To analyse the significance between transformational leadership and critical change adaptability in which readiness to change as a mediator variable, the Sobel test was used. The result of Sobel test showed that the indirect effect between transformational leadership and critical change adaptability through readiness to change was positively significant. Therefore,

as the value of the Sobel test was 2.89318172 with significant value of 0.00381361 (two tailed), the indirect path effect between transformational leadership and critical change adaptability through readiness to change was positively significance.

Discussion

Weiner, Amick, & Lee, (2008) proved the importance of assessing readiness for change to achieve the change successfully. Accordingly, transformational leaders must start doing assessment on employees' readiness for change first (Armenakis, Harris & Feild, 1999) to adjust the change strategies to closely meet the employees' needs. Empirically, transformational leadership proved to significantly and positively affect readiness for change, with a CR value of 3.346, and significant at p value <0.001; therefore, H1 is accepted.

The results of this study confirmed that transformational leadership was very applicable during the time of change, as they acted to lead, direct, and manage the changing process by considering readiness for change as the most contributing factor to the changing process. In this state, the style of the transformational leaders proved to be effective in reducing resistance levels of employees during the process of the organisational change.

This study was in line with several findings. Herold et al (2008) claimed that transformational leadership affects employees' commitment, which is a particular change initiative as a personal impact function of the change. Another study conducted by Hussami et al (2017) showed that leaders' competence affects readiness for change, as readiness for change is an interaction of all components of the work environment. Likewise, the study of Holt et al. (2007) and Miller et al. (2006) summarised that leaderships significantly affects employee readiness for change.

Readiness for change is recognised as the main factor that must be generated for the implementation of the change (Carlson, Downs, Pieterse, Caniels, & Homan, 2012), and the creation to prepare for the change is not an easy task for the organisation (Brown & Cregan, 2008). Jones et al. (2005) stated that readiness for change is a complicated task in a dynamic era, as change may take place at any time. The finding of this study proved that readiness for change affected critical change adaptability, with CR value of 5.609 and significant at p value <0.001; therefore, H2 is supported.

Previously, Rafferty, Jimmieson, & Armenakis (2013) has identified the growth of the academics' interest to examine employees' attitudes toward change. For example, the ability to adapt to a critical change increases the confidence to behave in new ways as needed in dealing with changing circumstances (J. P. Meyer & Herscovitch, 2001). Organisational

change involves individuals reconsidering their beliefs, values, and normative orientation (Ford, Ford, & D'Amelio, 2008).

During the process of change, leaders have to encourage and motivate employees in order to adapt well. Charles Darwin states that as the environment changes rapidly, the survival will be the more adaptable one (Hubbard, 2009). Therefore, the strongest employees were those who are able to adapt to the change, and transformational leadership was very important in influencing the adaptation to change. Meanwhile, the results of the test on the influence of transformational leadership on critical change adaptability showed that the CR value was 3.251 and significant at p value <0.001 ; thus, H3 is accepted.

The result of the H3 was in line with the one of Birkinshaw & Gibson (2009); leaders encourage employees to act for the benefits of the organisation by promoting adaptive behavior, and of Wainaina (2014); transformational leadership improves the adaptability of employees. Similarly, Muthuveloo, Kathamuthu, & Ping (2014) also proved that transformational leadership affects employees' adaptability.

Post-acquisition organisations expect employees to be adaptable by learning new skills and procedures that positively affect the performance of post-acquisition employees. Adaptive employees will be taking the initiative to approach to the environmental challenges (Polyhart & Bliese, 2006). The result of the analysis showed that H4 is accepted, as the CR result was 6.690 and significant at p value <0.001 .

The finding of this study proved that critical change adaptability affects employee performance.

Individuals having been adaptive to the environment would understand the situations in a positive perspective (e.g. more challenging than stress), and would be more perceptive to environmental signals, which enhanced their aptitude to accept and appreciate even small actions to support their organisations. Therefore, the tendency of adaptable employees led to a positive interpretation of the organisation actions, as well as the support they received from the organisation.

Conclusion

This empirical study confirms that the effects of transformational leaders' behavior dominate the organisational change process. Transformational leadership becomes stronger in the state of crisis or uncertain situations, such during the acquisition integration. Furthermore, under complex conditions of change such as acquisitions, leaders must be able to assist employees to fit in with the required competence.



Employees appreciate strategies that satisfy their needs in an acquisition with organisational change. Thus, successfully managing employee attitudes and performance during acquisition integration is critical. Consequently, transformational leaders will use their ideal influences to empower followers to increase their tolerance against the uncertainty.

In addition, by providing direct support and assistance to employees as well as responding to their problems, transformational leaders help employees to meet the challenges of change and perform their tasks well.

Limitations and Future Research

The response rate to the questionnaires distributed was relatively low. Consequently, all feedback was treated as if they were a single group that resulted in some possible impact on the findings due to the organisational differences.

This research was conducted after two years acquisition; this period is not long enough to estimate the overall impact of the acquisition. Therefore, future research should consider other data sources, such as direct interviews with managers, to enable a deeper analysis of the subject. Hence, some recommendations for further research are that as not many researches in human resource management after the acquisition have been done in Indonesia, paying more attention to it should be taken into account. Cultural variables have not been discussed; so, further research needs to explore more about the influence of organisational culture on employee performance in post-acquisition companies.



REFERENCES

- A., A., Armenakis, S. G., & Harris, H. S. F. (2009). Making change permanent A model for institutionalizing change interventions. *In Research in Organizational Change and Development*, 97–128.
- Aguilera, V. A., Dencker J, C., Aguilera, R. V., Dencker, J. C., Aguilera, V. A., & Dencker J, C. (2004). The role of human resource management in cross-border mergers and acquisitions. *Int. J. of Human Resource Management*, 15(8), 1355–1370. <https://doi.org/10.1080/0958519042000257977>
- Amabile, T. M., Schatzel, E. A., Moneta, G. B., & Kramer, S. J. (2004). Leader behaviors and the work environment for creativity: Perceived leader support. *The Leadership Quarterly*, 15(1), 5–32.
- Appelbaum, S. H., Roberts, J., & Shapiro, B. T. (2009). Cultural strategies in M & A: Investigating ten case studies. *Journal of Executive Education*, 8(1), 35–58.
- Bellou, V. (2007). Psychological contract assessment after a major organizational change: the case of mergers and acquisitions. *Employee Relations*, 29(1), 68–88.
- Bernerth, J. (2004). Expanding our understanding of the change message. *Human Resource Development Review*, 3(1), 36–52. <https://doi.org/10.1177/1534484303261230>
- Birkinshaw, J., & Gibson, C. B. (2009). Building Ambidexterity Into an Organization. *Sloan Management Review*, 45, 47–55., 47–55.
- Brown, M., & Cregan, C. (2008). Organizational change cynicism: The role of employee involvement. *Human Resource Management*, 47, 667–686.
- Burns, J. M. (1978). *Leadership*. New York: Harper & Row.
- Carlou, D., Downs, A., Pieterse, J. ., Caniels, M. C., & Homan, T. (2012). Professional discourses and resistance to change. *Journal of Organizational Change Management*, 25, 798–818.
- Cartwright, S., & Schoenberg, R. (2006). Thirty years of mergers and acquisitions research: Recent advances and future opportunities. *British Journal of Management*, 17(S1), S1–S5.
- Castel, P., & Friedberg, E. (2010). Institutional change as an interactive process: The case of the modernization of the French cancer centers. *Organization Science*, 21(2), 311–330.



- Chaoping, L., & Kan, S. (2005). Transformational Leadership Structure and Measurement. *Psychology*.
- Chen, G., Thomas, B., & Wallace, J. C. (2005). A Multilevel Examination of the Relationships Among Training Outcomes, Mediating Regulatory Processes, and Adaptive Performance. *Journal of Applied Psychology*, 90(5), 827–841. <https://doi.org/10.1037/0021-9010.90.5.827>
- Chrusciel, D., & Field, D. W. (2006). Success factors in dealing with significant change in an organization. *Business Process Management Journal*, 12(4), 503–516.
- de Jong, J. P. J., & Den Hartog, D. N. (2007). How leaders influence employees' innovative behaviour. *European Journal of Innovation Management*, 10(1), 41–64. <https://doi.org/10.1108/14601060710720546>
- Eby, L. T., Adams, D. M., Russell, J. E. A., & Gaby, S. H. (2000). Perception of organizational readiness for change: Factors related to employees' reaction to the implementation of team-base selling. *Human Relations*, 53(3), 419–428.
- Eby, L. T., Adams, D. M., Russell, J. E. A., & Gaby, S. H. (2000). Perceptions of Organizational Readiness for Change: Factors Related to Employees' Reactions to the Implementation of Team-Based Selling. *Human Relations*, 53(3), 419–442. <https://doi.org/10.1177/0018726700533006>
- Ford, J. D., Ford, L. W., & D'Amelio, A. (2008). Resistance to change: The rest of the story. *Academy of Management Review*, 33(2), 362–377.
- Greiner, L. E. (1972). Evolution and revolution as organizations grow. *Harvard Business Review*, (July-August).
- Griffin, M. A., Parker, S. K., Neal, A., & Parker, S. K. (2007). A New Model of Work Role Performance : Positive Behavior in Uncertain and Interdependent Contexts. *Academy of Management Journal*, 50(2), 327–347.
- Hagedoorn, J., & Duysters, G. (2002). External Sources of Innovative Capabilities: The Preferences for Strategic Alliances or Mergers and Acquisitions. *Journal of Management Studies*, 39(2), 167–188. <https://doi.org/10.1111/1467-6486.00287>
- Haspeslagh, P. C., & Jemison, D. B. (1991). *Managing acquisitions: Creating value through corporate renewal (Vol. 416)*. New York: Free Press.
- Hitt, M. A., Keats, B. W., & DeMarie, S. M. (1998). Navigating In The New Competitive Landscape: Building Strategic Flexibility And Competitive Advantage In The 21st



- Century. *The Academy of Management Executive*, 12(4), 22–42.
- Hubbard, D. W. (2009). *The Failure of Risk Management*. New Jersey: John Willis and sons inc.
- Jemison, D. B., & Sitkin, S. B. (1986). Corporate Acquisitions: A Process Prospective. *Academy of Management Review*, 11, 145–163.
- Kanfer, R. (1990). *Motivation theory and industrial and organizational psychology*. In M. D. Dunnette & L. M. Hough (Eds.), *Handbook of industrial and organizational psychology, Vol. 1 organizational psychology* (2nd editio). Palo Alto, CA, US: Consulting Psychologists Press.
- Laamanen, T., & Keil, T. (2008). Performance of Serial Acquirers: Towards an Acquisition Program Perspective. *Wiley InterScience*, 29, 63–672. <https://doi.org/10.1002/smj>
- Light, D. A., Kid, D., De Monaco, L., Freeland, G., & O'Sullivan, P. (2001). Who Goes, Who Stays. *Harvard Business Review*, 79(1), 35–44.
- Lubatkin, M. (1983). Mergers and the Performance of the Acquiring Firm. *Academy of Management Review*, 8(2), 218–225.
- Martin, B. R. (2012). The evolution of science policy and innovation studies. *Research Policy*, 41(7), 1219–1239. <https://doi.org/10.1016/j.respol.2012.03.012>
- Mayrhofer, U. (2004). International Market Entry: Does the Home Country Affect Entry-Mode Decisions? . *Journal of International Marketing*, 12(4), 71–96. <https://doi.org/10.1509/jimk.12.4.71.53211>
- Meyer, J. P., & Herscovitch, L. (2001). Commitment in the workplace: toward a general model. *Human Resource Management Review*, 11(3), 299–326.
- Mittal, S., & Dhar, R. L. (2015). Transformational leadership and employee creativity. *Journal of Managerial Psychology*, Vol. 30 No, 645–658. <https://doi.org/http://dx.doi.org/10.1108/02683940010305270>
- Muzellec, L., & Lambkin, M. (2006). Corporate rebranding: destroying, transferring or creating brand equity? *European Journal of Marketing*, 40(7/8), 803–824. <https://doi.org/10.1108/03090560610670007>
- Nemanich, L. A., & Keller, R. T. (2007). Transformational leadership in an acquisition: A field study of employees. *The Leadership Quarterly*, 18(1), 49–68.



- Pasmore, W. A. (2011). *Tipping the balance: Overcoming Persistent Problems in Organizational Change*. In A. B. Shani, R. W. Woodman, & W. A. Pasmore (Eds.), *Research in organizational change and development*. Bradford: Emerald Group Publishing Limited.
- Polyhart, R., & Bliese, P. (2006). Understanding Adaptability: A Prerequisite for performance within complex environments. *Advances in Human Performance and Cognitive Engineering Research*, 6, 3–39. [https://doi.org/10.1016/S1479-3601\(05\)06004-2](https://doi.org/10.1016/S1479-3601(05)06004-2)
- Pulakos, E. D., Dorsey, D. W., & White, S. S. (2006). Adaptability In The Workplace: Selecting An Adaptive Workforce. *Advances in Human Performance and Cognitive Engineering Research*, 6, 41.
- Rafferty, A. E., Jimmieson, N. L., & Armenakis, A. A. (2013). Change Readiness: a Multilevel Review. *Journal of Management*, 39(1), 110–135.
- Raja, a. S., & Palanichamy, P. (2011). Leadership Styles and its Impact on Organizational Commitment. *Asia-Pacific Journal of Management Research and Innovation*, 7(3), 167–175. <https://doi.org/10.1177/097324701100700315>
- Ramasesh, R., Kulkarni, S., & Jayakumar, M. (2001). Agility In Manufacturing Systems: An Exploratory Modeling Framework And Simulation. *Integrated Manufacturing Systems*, 12(7), 534–548.
- Sanda, M.-A. A., Adjei-Benin, P., & Benin, P. A. (2011). How is the Firm Dealing with the Merger? A Study of Employee Satisfaction with the Change Process. *Journal of Management and Strategy*, 2(2), 28–37. <https://doi.org/10.5430/jms.v2n2p28>
- Shimizu, K., Hitt, M. A., Vaidyanath, D., & Pisano, V. (2004). Theoretical foundations of cross-border mergers and acquisitions: A review of current research and recommendations for the future. *Journal of International Management*, 10(3), 307–353.
- Wainaina, C. N. (2014). Determinants of Employee Adaptability to Transformational Change in Commercial in Nairobi , Kenya: Empirical Review, 4(10), 1–9. <https://doi.org/10.6007/IJARBS/v4-i9/1204>
- Weiner, B. J., Amick, H., & Lee, S. Y. D. (2008). Review: Conceptualization and measurement of organizational readiness for change: a review of the literature in health services research and other fields. *Medical Care Research and Review*, 65(4), 379–436.
- Weston, J. F., & Kwang, S. C. (1983). Do mergers make money? *Mergers and Acquisitions*, 18(3), 40–48.