Chapter III

Methodology
METHODOLOGY

The objectives of this study indicate that the type of questions asked is primarily of the following nature: 'What is going on here?' and to some extent, 'Is X different from Y?'. On this basis an exploratory and descriptive research is indicated. Such an investigation may require both qualitative and numerical data. (Edwards and Talbot, 1994).1

3.1 The research method

A Case study method2 has been followed in this research. The Case study method is used to allow a fine-tuned exploration of complex sets of interrelationships. The case may be an individual, a group, or an institution. Here the case is an organization and the data collected is empirical.

3.2 Description of the sample

Three organizations each of which have acquired another unit within the last five years formed the sample from which the individual respondents are drawn.

The sample consisted of three pairs of organizations (which translates into 6 individual organizations). This was thought to be sufficient, because when the selected organizations were analyzed for their merger type, one in each type emerged (Collaborative, Extension and Redesign). This was also felt adequate, given the time and resource constraints, to get a comprehensive view of cultural implications in mergers.
TI Diamond Chain Limited, Ambattur (TIDC) had acquired Sathwana Chains at Hyderabad, and renamed it as Rolmor Chains Division (RCD). Hyderabad. (Details of the organizations are given in the appendix). The TIDC sample consisted of 43 individuals. (85 questionnaires were distributed and 45 were received in time. 2 were rejected because they were incomplete). The RCD sample consisted of 44 individuals. (75 questionnaires were distributed, of which 44 were received).

Greaves Limited - a company belonging to the Thapar group - had acquired Enfield-Thoraipakkam unit and renamed it as Greaves Petrol Engines Unit (Greaves PEU). To represent Greaves culture, its decade old plant Greaves Chitram, Royapuram, renamed as Greaves Heavy Engineering Unit (Greaves, HEU) was taken. The Greaves HEU sample size was 60 (70 individuals agreed to take part in the study. 64 returned the questionnaires, 4 were incomplete and therefore rejected). The sample size of Greaves PEU was 60 (75 questionnaires were distributed and 60 were received and included for analysis).

The Eicher group had acquired Enfield Motors and renamed it as Royal Enfield Motors, (Thiruvottiyur, Madras). To represent Eicher’s culture, its mother plant, Eicher Tractors Limited, at Faridabad, New Delhi, was taken. The sample consisted of 34 members. This study had to be completed in 4 days. (A total of 60 questionnaires were distributed. 32 were received by the researcher in the next 2 days, and 8 were posted to the researcher one week later. 6 questionnaires were found to be incomplete). The Royal Enfield Motors sample was 37. Here the time taken for the data collection extended over a month.
the unit was working overtime to complete pending orders. (75 questionnaires were distributed. Only 39 were received. 2 were rejected for being incomplete).

A description of the samples in terms of type of acquisition continues in section 3.1.1.

The samples were chosen in close consultation with the HRD / Personnel managers of the unit, so as to ensure a broad and complete representation. The Experience survey which is an Interview technique in which individuals who are knowledgeable about a particular research problem are questioned, was used. Knowledgeable persons should be selected as they are articulate individuals rather than a representative probability. (Zikmund, 1989)

The age-wise, seniority-wise, level-wise and department-wise break up of the samples in individual organizations is given in the Appendix II. Demographic details of the acquisitions.

3.3 Theoretical framework of analysis

As stated in Chapter II, the major variables in the framework on which this thesis is based are types of M&A, the concept of Organizational Culture in post-merger integration analysis, Organizational Ideologies, Sub-cultures, Organizational Effectiveness, and Cultural Change and Integration.

3.3.1 Typology of Acquisitions

In this thesis, the terms Merger and Acquisition are used interchangeably. This is as per the findings of Mace and Montgomery (1962) mentioned in
chapter II, which noted that the difference in usage of the terms arises due to perception, not content.

As mentioned in Chapter II, this thesis uses the classification of mergers proposed by Napier (1989), as Collaborative, Extension and Redesign. This classification is found to be simple and exhaustive encompassing the intrinsic meanings of all other typologies available.

TIDC and RCD, emerged as an example of a Collaborative merger of the Synergy category (refer Salter and Weinhold's 1979, definition, chap 2). TIDC is a unit manufacturing industrial chains and it has acquired RCD, another industrial chain maker, for product output advantages to outperform competition. They both belong to the same industry (chains) externally, and to the same business group, Engineering Group of Tube Investments of India internally (refer appendix - Background of organizations).

Greaves HEU's acquisition of Enfield Thoraipakkam, came about as an example of an Extension merger (refer Prahalad and Bettis, 1986, definition of extension merger, chap 2). The motive of the Greaves group was to diversify. Both organizations belong to different industries externally (the former to the structural engineering industry and the latter to the portable engines and transport). They also belong to a different business group at an internal management level. Greaves HEU belongs to the Industrial Products Division, while Greaves PEU belongs to the Portable Engines and Transportation Division of the group (refer appendix - Background of organizations).
Eicher Tractors' acquisition of Royal Enfield Motors, fell under the category of a Redesign merger (refer Haipern, 1983*, definition, chap 2). It is a related area and gaining control was especially important as Enfield was in financial trouble. They belong to a different industry externally (tractors and motorcycles), but to the same business group (Eicher Ltd.) at the internal level (refer appendix -Background of organizations).

3.3.2 Operationalization of the term 'Organizational Culture':

The meaning of culture used in the thesis requires elaboration. Culture as used here, is in the sense of the 'Ideational' or the subjective culture. Ideational culture is a group's characteristic way of perceiving the man-made part of its environment, the rules and the group's norms, roles and values' (Triandis and others, 1972). Hence as mentioned in chapter II, ideologies being the substance of culture, culture is identified through identifying the ideologies. The information got from the unstructured interviews are used to validate the results got through the structured questionnaire.

Harrison's typology of ideologies as Power, Role and Team is used here. In this study, the aggregate of these ideologies is the culture. Since there are 3 different ideologies their individuality is retained and culture is denoted as a single set of 3 ideologies. Depending on the ideology which is most prominent among the 3, the culture will be named after that ideology.

But an important, age-old controversy exists in the measurement of culture. That is, while one school argued that certain universal is occur in the cultures
(Leach, 1970\textsuperscript{11}), the other school argued that to generalize beyond a single culture would be inaccurate because it would rip the cultural elements out of the social context that gave them their meaning (Geertz, 1973\textsuperscript{12}).

In short, while the former school of thought argued that some commonalities can be found across various organizational cultures, the latter argued that one cannot generalize from research conducted in one organization to others... But, managers and management researchers seek results from which generalizations for theory and practice can be drawn (Trice and Beyer, 1993\textsuperscript{13}).

The methods that are used to study culture also reflect this controversy. Researchers who believe that there are certain properties in organizational cultures that can be generalized, often use the etic (quantitative) methods, in which they apply a typology or explore some prior set of concepts in one or more organizations. Quantitative assessments facilitate intra and inter-unit comparisons and can reveal a diversity of cultural patterns (Rousseau, 1990\textsuperscript{14}). Methods like questionnaires or structured interviews are used that yield quantified measures.

Those of them who believe cultures are unique and specific to a particular organization use emic (qualitative) methods like, unstructured interviewing and observation. Emic researchers try hard...seeking to bring to the surface category, systems and ideas that members of the culture themselves use to think about their worlds (Naroll and Naroll, 1973\textsuperscript{15}).
Schein (1984) asserts that researchers employing a survey or questionnaire to study organizations behave unethically, by purporting to speak for respondents through aggregated survey data rather than using the informants' own words.

This opinion is also consistent with Morey and Luthans (1984)'s discussion of 'emic' (insider) and 'etic' (outsider) perspectives.

Both these approaches have value. "The middle ground is to realize that without etics, comparisons lack a frame; without emics, comparisons lack meat. Emic (qualitative) and etic (quantitative) data do not constitute a rigid dichotomy, but instead often present the same data from two points of view" (Harris, 1976).

Thus the most sensible resolution of this controversy appears to be to avoid carrying either approach to an extreme and adopt a combination of these approaches. There seems to be room for both explorations of general properties of cultures and for explorations of specific cultures yielding relatively unique insights (Trice and Beyer, 1993).

In this thesis, an etic approach by means of a questionnaire, to explore generalities, and an emic approach by means of unstructured interviews which narrates the ideologies in the respondent’s own words, to yield unique insights are used. The information was also made available to a few organizations in the sample, who validated the findings, thereby validating the mixed etic-emic approach.
3.3.3. Miscellaneous Issues

1. Multiplicity of cultures within the same unit

One point to note is that a particular organization need not exhibit one single culture alone. We can talk only in terms of the presence of a dominant culture. This implies that the minority culture is indeed of a different cultural perception. This also explains the healthy coexistence of even three different cultural orientations. It is in this sense that the presence of subcultures are explained. A detailed discussion of the dominant, minority and sub-cultures follows.

2. Why assess culture by assessing individual orientation?

The issue of the impact of individual orientation on the organizational culture has been addressed several times. Most people view individuals entering organizations as those who come in with an open mind ready to be acculturated. In reality, every individual has been conditioned by his native cultures to a large degree by the time he enters an organization (Farmers and Richman, 196521; Haire, Ghiselli, and Porter, 196621; England, Dhingra, and Agarwal, 197422; Hall, 197623; Kelley and Worthley, 198124). This affects their work-orientation and functioning which in turn affects the entire organization. Hence, it is more reasonable to assume that individual orientation affects organizational culture than vice versa (Suresh, 1991)25.

Besides, March (1979)26 argues that "individuals can speak in answer to questionnaires where organizations cannot".
Again, another dimension to this is the question as to whether it is possible for individuals to provide accurate information on the organization as a whole. A study conducted for a wholesale distribution companies, in which questions about organizational characteristics were asked of more that one informant and then compared, indicates that the potential for error, as a result of ignorance, is considerably small (Bryman, 1989)²³.

3. Can ideologies be identified, as they are ideas in people's heads?

Cultural meanings are not, only in people's heads, rather they are ideas that are shared by social actors. In this sense cultural meanings have some public manifestation and therefore must be at least somewhat observable. Also members of a culture cannot be completely unaware of its ideologies and prescriptions all of the time. If they were, how could they socialize newcomers to their culture? How could they live by it? And how would they know when it had been violated?

Besides, typically ideologies have an expressed, articulated and hence an objective content (amenable to quantitative study) and an equally prominent unexpressed, inferred and hence subjective content (amenable for qualitative study). Hence, both questionnaires and unstructured interviews used together can capture it well.

The view that ideology can be easily discovered is exemplified by writers who suggest that the substance of existing cultures can be
discovered quite readily through a combination of such devices as surveys, informal conversations, unsystematic observations, direct participation, taped interviews, and analysis of existing performance and bottom line results (Silverzweig & Allen 1976) 

4. Why assume that organizations may be different?

In 1973, Ellis and Child published a paper that suggested that ‘different industries are typified by different work environments’.

What ‘kinds’ of culture-bound differences between organizations can be identified? The simplest level concerns the ‘presence’ or ‘absence’ of a certain characteristic or organizational ideology as in this thesis. Thus it is possible that most organizations are culturally different.

5. Why perceptual study is justified?

The fact that organization populations differ significantly from one another in psychological terms enables us to distinguish perceptions, although not categorize realities. Thus any propositions about these cultures must surely be interpreted to mean ‘the organization is seen as’ rather than ‘the organization is’ since, as Kostecki and Mrela (1983) point out, “it is impossible to ascertain which similarities /dissimilarities between organizations are artifacts of research tools and research design, and which are reflections of reality” (p.85).
Culture in this sense, is a multi-dimensional perception of the essential attributes or character of an organizational system. The crucial question is therefore the identification and measurement of generalized and shared perceptions of individuals.

Tung (1978)\textsuperscript{31} has also referred to 'member's perception of organizational culture'.

6. Can Cultures of two different organizations be compared?

Defining culture solely in terms of cognition allows a group of researchers to argue that they can measure a culture and compare cultures with profiles of preestablished values or norms (O'Reilly, Chatman and Caldwell 1991\textsuperscript{32}). Methods used in these studies assumes that (i) members of organizations are sufficiently aware of their own values (or norms) and those of their organizations to give valid answers about them; and (ii) that Organizational cultures may have unique profiles but that the common values (or norms) can be used to characterize the cultures of many different organizations.

Such assumptions makes it possible to compare the profile of one organization with any other.

Besides, the usage of an appropriate model matters. As cited in Chapter 2, the Harrison typology\textsuperscript{44} is more apt for comparing cultures of individual organizations.
7. Why only 3 of the 4 ideologies are applicable

Of the four ideologies postulated by Harrison, only the power, role and team ideologies are found to be applicable for the study. This was because, the person orientation, the fourth ideology, by its very definition, is applicable only to voluntary organizations with absolutely no self interests like profits. No profit center can operate with this orientation, “since organizations tend to have objectives over and above the collective objectives of those who comprise it” (Handy, 1976).³⁴

Besides, an earlier study conducted by Quinn and Cameron (1983) took 9 life-cycle studies and showed that each can be rationalized to four main stages in the following order:

i) Entrepreneurial, which approximates to the ‘power’ culture.

ii) Collectivity, which again approximates to the ‘power’ culture.

iii) Formalization and Control, approximating to the ‘Role’ culture

iv) Elaboration of structure, similar to the ‘Task’ culture.

Hence it is clear that the atomistic or person culture is not applicable to profit-oriented business entities.

A pilot study conducted with a sample size of 45 individuals covering 7 organizations confirmed this. Hence only the three ideologies of
Power, Role and Team were sought to be measured in the questionnaire.

8. Are ideologies - the substance of culture - easily changeable?

A common criticism leveled at organizational cultures is that they are difficult to change as mature organizations are said to have deep-rooted ideologies formed over many years.

Nevertheless cultural change may on occasion be crucial to an organization's success or even survival. Just as an appropriate culture can be a strong asset, so too, an inappropriate culture can be a strong liability. If circumstances change, the organization may need to change its prevailing culture very quickly, or it may lose touch with the environment as Peters and Waterman’s study of ‘excellent’ companies has shown (Williams et al., 1989). And to do this some force is required to break the self-perpetuating cultural cycle in vogue.

This is where a M & A situation is more successful than any other than form of force. In this sort of a crisis, the organizational members are expecting an ‘emotional shake-up’ that accompanies such a strategic change. So the initial resistance is not so intense. Secondly, by contrasting a culture which is ineffective with another that is highly effective, the acquisition activity relates the organizational culture with organizational effectiveness. This provides a strong
impetus to change. And, the members propensity to change is an important factor to implement a successful change process.

Lastly, by bringing an effective culture into close contact, the M & A situation provides the necessary role models to effect the change also, thereby completing the change cycle of expectation, high propensity to change and practical role models of the success/reward. Change of a stable culture follows easily.

3.3.4 The Questionnaire

A structured questionnaire was used to collect the required data.

The questionnaire compiled by Roger Harrison was not used as it is basically self-administered. Few people will accept a power orientation although to an outside observer that might be the way that person perceives the culture. As Charles Handy says “I have found the questionnaire more useful as a guide to my external rating of the organization after living with it for a time (Handy, 1976) 17.

The questionnaire consists of 4 sections A through D.

Section A deals with perceptions of the prevalent culture. Section B deals with the expectations of ideology changes felt necessary for the future of the organization. Section C deals with Organizational Effectiveness and Section D deals with the demographic details.

There are 27 statements in Section A and B. Three types of cultural perception - Power, Role and Team - are sought to be measured. As it was felt
that several questions would best obtain the information on one ideology, a set of 9 statements were framed for each ideology. That is, these 9 statements together would outline the characteristics of that ideology. However, these 9 statements are not placed sequentially but are mixed up to avoid respondent bias.

Scoring for section A is done on a Likert type scale with 3 points. Most often correct, Sometimes correct, Rarely correct, with scores ranging from 1 to 3 in that order. The scores were later reversed such that a high score indicate 'most often correct' or a strong presence of that ideology.

Scoring for section B is similar to that of section A, except that the scales denote 'Great changes required', 'Moderate changes required' and 'No change required'. Here too the scores are reversed during analysis wherein 3 denotes 'Great change required' and so on.

Section C has 10 statements with scoring pattern similar to Section A and B, but seeks to measure the extent of agreement of the respondent to the statements as, 'Not at all', with a score of 1; 'To some extent', with a score of 2 and 'To a large extent', with a score of 3. No score reversals are done here.

Section D has 7 questions on demographics like age, tenure with the organization and department belonging to.

Recognizing the importance of language, and the need to include Workers also in the analysis, the questionnaires were translated from English, the source,
to Tamil and Hindi, and Telugu. They were then back-translated to ensure that the context and meaning remain the same to the source. They were then pretested on 5 individuals to seek the understanding levels. The language used in the Telugu Questionnaire was found to be too high flown, for the understanding of the Workmen. It was hence modified to suit them.

The questionnaire developed was tested for its reliability. The Cronbach’s Alpha was .72 for Section A, .88 for Section B and .79 for Section C.

3.3.5 The Interview

Besides the Questionnaire, personal interviews were held with willing, articulate employees - Managers and Workers. Explanations for a strongly voiced opinion was sought. This helped to authenticate and verify the Cultural scenario which emerged at the end of that organization’s analysis through the Questionnaire.

To enhance understanding, the help of Interpreters was solicited in Hyderabad (for Telugu) and Faridabad (for Marathi and Hindi). These interpreters were Workers or Officers from the same unit where data was collected.

3.4 Analysis of Data

The analysis of data is contained in three sections. The first section analyzes the current cultural profile and preferred culture profile of the 6 case studies; the second section, analyzes the Effectiveness perception in relation
to the culture profile of the 6 case studies; and the third section, analyzes the cultural integration of the 3 pairs of organizations which have merged, the effectiveness (functionality or otherwise) of the unit in relation to these profiles, and the Change needs or the expectations / preferred culture profile.

3.4.1 The Statistical methods adopted

The primary objective of this research being the diagnosis of the cultural orientations of the individuals in an organization, and given the fact that Culture is `shared ideologies`, it is imperative to devise an exploratory classification scheme for grouping the individuals such that individuals within a class are similar in sharing the same Ideologies and unlike those from other classes. These techniques have been variously referred to as Cluster Analysis, Q Analysis, Typology and Numerical Taxonomy.

Given the individual responses, each of which is described by a set of numerical measures, the very best classificatory technique which groups based on similarity grounds is a cluster analysis. A Hierarchical Agglomerative technique using the Ward’s method was followed. In the Hierarchical method the data are not partitioned into classes in one step. Rather they are first separated into smaller classes, and each of these further partitioned, and so on until terminal classes are generated which are not further subdivided.

Having arrived at these clusters (shared ideologies), some sort of categorization will help to capture the magnitude or strength of shared ideologies.
A number of authors have referred to 'strong' and 'weak' cultures. Is a strong culture one where the central beliefs and attitudes are strongly held?, or is a strong culture one which is homogeneous - that is - the beliefs and attitudes are common to all the groups in the organization?, or is a strong culture one that is readily recognizable?, or alternatively, one which promotes organizational effectiveness? These are not mutually exclusive definitions (Williams et. al., 1989).

In this thesis a culture that is homogeneous and shared by a majority group in the organization is denoted as a 'dominant culture'. Strength is considered only in the context wherein there are multiple subcultures and the requirement of a taxonomy is felt to differentiate one group from the other. Hence it is used more as a relative term. It was felt that this classification would also eliminate the confusion caused by the multiple connotation of the term 'strength'.

**Dominant Culture:**

If greater than 75% of the respondents are in one cluster, it means that their response pattern in the questionnaire is similar. It also means that they perceive the mix of ideologies in the similar manner. The organization is said to have a Dominant culture as more than three fourths of the organizational members share a similar cultural perception, thereby making it a homogeneous group.
Minority Culture:

Minority culture is represented by those who are not in a dominant cluster. It does not denote a sub-culture, as it refers to less than 25% of the members or an insignificant group.

Sub-Culture

If there emerges a cluster, with greater than 25% respondents in it, but less than 75% of the sample, it indicates the presence of a sub-culture.

These sub-cultures may be classified based on homogeneity within a smaller group. Since this is not as pervasive as the dominant culture, it can be defined as a sub-culture.

These sub-cultures may differ in their strength as follows:

Table 3.1
Classification of Sub-cultures

<table>
<thead>
<tr>
<th>Percent of respondents in one cluster</th>
<th>Strength of sub-culture is denoted as</th>
</tr>
</thead>
<tbody>
<tr>
<td>25%-50%</td>
<td>Weak</td>
</tr>
<tr>
<td>51%-75%</td>
<td>Strong</td>
</tr>
</tbody>
</table>

(Though this may seem to be a fine classification, it serves the purpose of differentiating the multiple sub-cultures with varying strengths, within one organization).
Having assigned individuals to one of the two (dominant / minority) or several clusters (sub-cultures), the next step is to ascertain if statistically significant differences exist among these clusters.

**Discriminant analysis**\(^{40}\) is the appropriate statistical tool to use here as this technique is normally used to identify the differences between groups.

Discriminant analysis is a statistical technique for classifying individuals or objects into mutually exclusive and exhaustive groups on the basis of a set of independent variables. The basic analysis can handle either 2 groups or multiple groups. This analysis involves deriving linear combinations of the independent variables that will discriminate between the a priori defined groups in such a way that the mis-classification error rates are minimized. This is accomplished by maximizing the between-group variance relative to the within-group variance.

Besides, the discriminatory analysis is necessitated after the exploratory use of the Cluster analysis, to measure the reliability of the clusters so derived. It does this by highlighting the percentage of mis-classification if any, thereby assuring the reliability of assignment of an individual to a particular group. The two-way histogram or scatterplot is also a good visual indicator of the correct classification. Besides this, the table stating the significance levels is also given.

**3.4.2. Perceptual Mapping for an Individual**

As explained earlier under 'Miscellaneous issues', it is assumed that an organization need not perceive one single type of culture alone. Hence the individual members too can have a perceptual map which consists of a mix of
all the ideologies in a particular ratio. In short, an individual’s view is taken in all its shades. Hence, all 27 statements in section A are used for the purpose of identifying the cultural perception.

The 9 statements pertaining to a particular culture description - Power, Role or Team - are clubbed under the separate heads. For each type an average score is calculated for each individual. This group of scores indicate the ratio of perception existing in the individual. That is, the perceptual map of that individual.

Thus the average or mean score of Power ideology is got by a summation of the scores of the 9 statements, viz., statements 1, 6, 7, 11, 13, 18, 19, 23, 26 (characterizing power ideology) and dividing by 9.

So also the mean score of Role ideology is calculated by summing statements 2, 4, 9, 10, 15, 16, 21, 22, 25 (characterizing role ideology) and dividing by 9.

And, the mean score of the Team ideology is calculated by summing statements 3, 5, 8, 12, 14, 17, 20, 24, 27 (characterizing team culture) and dividing by 9.

3.4.3 Perceptual mapping of a cluster

A summation of the individual perceptual maps would yield the total for the cluster. The average perception score can thus be calculated for the cluster too. This then is the prevalent cultural perception of the cluster.
3.4.4 Culture profile of the Cluster

A look at the mean scores (average) of the perceptions will illuminate as to which perception dominates in that particular cluster. Further information as to the profile of the members of that cluster in terms of Age, Number of years with the organization, and the department belonging to in the unit can be looked into.

3.4.5 Measurement of Expectations or Preferred organizational culture

The preferred culture is sought to be identified in section B of the questionnaire. The respondents are asked to select one of the columns: Great changes required (score = 3), moderate changes required (score = 2), or No change required (score = 1). The statements are the same ones used for assessing the current cultural perceptions. The mean scores are also calculated in the similar manner.

Thus the mean scores of Change needs in Power ideologies is got by summing the scores of the 9 statements related to Power, viz., statements 1, 6, 7, 11, 13, 18, 19, 23, 26 (in section B) and dividing it by 9. So too for the role and team ideologies.

This yields a set of 3 means for each individual. They can then be calculated for a cluster.

The mean scores can then be interpreted as follows: A score less than 2 denotes 'No change', and a score equal to or greater than 2 can be interpreted as 'Needs Change'. This classification is thought to be practical, as once there
exists a need for change, whether it is moderate or high, change efforts are required on the part of the organization.

3.4.6 Measurement of Organizational Effectiveness

The Effectiveness of the organizations is measured as a composite score - the summation of scores of all 10 statements in section C of the questionnaire.

3.4.6.1 Effectiveness Ratings:

The summated scores range from a minimum of 10 meaning 'Not at all effective' to a maximum of 30 meaning 'Highly effective'. The scores are then classified as follows:

Table No. 3.2

<table>
<thead>
<tr>
<th>Effectiveness Score</th>
<th>Rating label</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 - 20</td>
<td>Less effective</td>
</tr>
<tr>
<td>21 - 30</td>
<td>Highly effective</td>
</tr>
</tbody>
</table>

3.4.6.2 Functionality/ Dysfunctionality:

If a cluster perceiving a particular type of culture has given a low rating for the organizational effectiveness, then that particular culture is defined as Dysfunctional to the organization. If the cluster has rated the effectiveness as high, then the culture of that cluster is defined as a Functional culture. The functionality can be calculated for any cluster ranging from a minority to a dominant cluster.
3.5 Integration of Cultures in the Acquisition

Integration level of an acquisition is the percentage of functional cultures in the combination. The combination denotes the combined analysis of the acquirer and the acquired.

Initially the data of both the acquirer and acquired are combined and this data is subjected to a cluster analysis. The method of arriving at the cultural profiles is similar to that followed for the individual organizational analysis where the mean scores of perceptions will highlight the proportion of ideologies and thus the cultural profile.

These clusters are analyzed for their change needs to know their expectations or preferred culture. The perception of organizational effectiveness of the cultures in the combination will highlight the functionality of the acquisition. This functionality of the combination is a reasonably good pointer to the success of the acquisition and this denotes the integration level.

However, it must be mentioned that the presence of sub-cultures does not indicate cultural differentiation. If the sub-cultures are dysfunctional then it denotes a lack of integration.

Based on this, the integration strategy is suggested as per the classification of Haspeslagh and Jemison (1991)\textsuperscript{41} - absorption, preservation and symbiotic.
As the names suggest, in absorption the merger partners are totally integrated. In the preservation strategy the acquirer preserves the culture of the acquired firm; and in the symbiotic type the acquirer and the acquired both have an assimilation of cultures from each other.

Thus, this study uses the Case study method to analyze the organizations. It employs the questionnaire and an interview schedule to collect the data. Cluster analysis and Discriminant analysis allows interpretation within the theoretical framework suggested.
Endnotes


2. For a detailed reading on Case Study, the following are excellent publications:


9. The term 'operationalization', which derives from physics (Bridgman, 1927), is often used to denote the procedure whereby concepts are given measures. These measures are treated as variables, that is, attributes on which people, organizations, or whatever exhibit variability. (For a detailed exposition refer, A Bryman, 'Research Methods and Organization Studies', Unwin Hyman Ltd., 1989, p.6.)


36. Williams et al., op. cit.

37. Handy, op. cit., p. 411.


