

The Sensemaking of Organisational Identities in a Post-Merger Context: A Case of MIS Integration

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This paper investigates how the sensemaking of organisational identities influences MIS functionality resulting from a post-merger integration. Our findings suggest that the system functionality resulting from the sensemaking of merging organisations' identities is different from the originally planned one. This functionality is the result of decisional adjustments between purpose-driven change and logic driven resistance or surrender to change of the individuals involved in the merger and system integration. Moreover, recognising the existence of organisational identities prior to MIS integration will improve team collaboration for managing and implementing integration. The results extend our understanding of the role sensemaking of organisational identities plays in influencing MIS functionality within a post-merger context. Consequently, a Twofold Interactive Model of MIS Integration (TIM-MI) has been proposed and presented in this paper for the first time. Through a better understanding of sensemaking and organisational identity issues, findings of this paper can support managers in the successful execution of post-merger MIS integrations.

Key words: *Organizational identity; sensemaking; merger; MIS integration; post-merger integration*

1. Introduction

Acquisitions and mergers refer to consolidation of different companies. Mergers happen when two or more companies combine to form one single company. Acquisition is the term used when one company takes over another entity (Chang & Cho, 2017). An organisational merger is a crucial decision that is primarily aimed at reducing an organisation's financial costs while increasing its market share, thus gaining a competitive advantage (Deligiannis, Sidiropoulos, Chalikias, & Kyriakopoulos, 2018; Henningson & Kettinger, 2016; Puranam, Singh, &

Chaudhuri, 2009). The primary reason behind a merger is generally given that two or more companies together create more value than one stand-alone company. The phenomenon of mergers is quite well known in the business world; however, the idea has also been applied to public owned companies and departments (Florio, Ferraris, & Vandone 2018; Brahma, Boateng, & Ahmad, 2018; Li, Du, Xin & Zhang, 2017). Being said, a merger is not a simplistic and linear process – it involves a series of very complex processes since it includes merging of all the resources of all the entities involved, including both financial and human resources. In order to smoothly carry out the process of merger and assimilation, a complex series of stages are planned – these are termed as *Post-merger Integration (PMI)* (Vieru, 2020; Graebner, Heimeriks, Huy & Eero, 2017; Henningsson & Kettinger, 2016; Vieru & Rivard, 2014; Larsson & Finkelstein, 1999;). Wishfully speaking, all mergers are aimed to have a perfect fusion of the organisations. In the real world, however, it seldom happens – all mergers do not infer the same level of integration among the merging entities or the same level of independence retained by each organisation (Steigenberger, 2017; Kamal 2011). Things are supposed to be much easier to manage when the combining entities are similar to each other in terms of organisational hierarchical structure, and the type of business they are involved with. In this paper we focus on one such case – the merger of two government institutions related to similar functions. We will however see that even in such a straightforward situation, the process faces certain challenges which need to be dealt with for a smooth transition.

In terms of mergers, one extreme possibility is that one organisation becomes dominant and requires the other to adopt to its norms, work culture and practices. On the other extreme, each organisation preserves its independence, thus maintaining a status quo. Between these extremities, there are possibilities that organisations either gradually merge together based on some common culture or adopt an organisational culture which is totally new to them.

According to Ellis (2004) there are four generic PMI approaches: *Preservation*, *Absorption*, *Symbiosis* and *Transformation*. *Preservation* occurs when the merging organisations retain their autonomous structures by keeping their old boundaries intact. *Absorption* is identical to Acquisition where one organisation imposes its values, norms and working culture on others. *Symbiosis* is the integration process where merging entities gradually blend into each other by adopting the best parts of each participating organisation. *Transformation* is the process in which organisations are integrated by developing and adopting completely novel working practices, thus giving the merged entity a new organisational identity. Recent studies, for instance (Brueller, Carmeli, & Markman, 2018) have focused on three PMI strategies namely Preservation, Adoption and Symbiosis. No matter whichever model is adopted and followed, the fact remains that mergers are long-time processes which may last for several years (Bodner & Capron, 2018).

Whatever the reasons behind a merger, the fact remains that many mergers face problems that stem from employee discontent, stress and anxiety, and their resistance toward the process



(Greenwood, Hinings, & Brown, 1994). Most of these employee-related problems arise from compatibility issues between organisations (Riad, 2005), uncertainty regarding organisational identity (van Dick, Ullrich, & Tissington, 2006), and a sense of exclusion (Harwood & Ashleigh, 2005).

All the above-mentioned issues basically state that during the PMI process, employees of the new organisation, that emerged from the assimilation of old independent companies, are fearful that their core organisational values and work practices are endangered by the emergence of a new organisation. Although a lot has been said and written in terms of merging departments and its functions of combining organisations, there is not much research done in integrating the Management Information Systems (MIS) and Information Technologies (IT) of the consolidating entities. People perceive and utilise the Information Systems and IT systems based on their working culture and organisational norms and values. In Levina & Vaast, 2005; Suchman, 2002, the authors state that the success of the implementation of MIS primarily depends upon the support and cooperation among people from different professional departments and communities. Thus, the key challenge in MIS implementation will be based upon overcoming the challenges related to the individuals involved in the process based on their beliefs and ways of doing things (Schweizer, 2005).

Organisational identity refers to 'Who We are' – ideas and values shared by all the members of an organisation. This gives meaning to the members of what, why and how they are performing their duties in their respective roles (Gioia, Patvardhan, Hamilton, & Corley, 2013). These roles are usually defined at the top level of management which are to be adopted by the people working there (Ravasi, 2016). The organisational identity is developed based on the goals and objectives of the company and their role in the society. For example, the identity and organisational culture of a medical school would be different from an engineering college although both are seats of higher education. It is the ultimate objective and position in the market that differentiates the two entities.

Organisational mergers lead to organisational change – which means that the organisational identity is also meant to change (Gergin, 2018). Since most of the operations and processes are automated in modern organisations, it is imperative that this change is also reflected in the MIS and IT operations of the merging entities. On the surface it seems quite simple since the Information and Communication Technologies (ICT) used in the MIS operations are quite standard, thus, their implementation is merely adopting the best software and hardware from them. But if we consider the complexities related to the practices and perceptions of the individuals who are involved in using it, it might not be such a simple aspect.

There is not much written on the topic of ICT and MIS integration in the context of mergers specifically. In Vieru & Rivard, 2014; Kamal, 2011, the authors have discussed a case study regarding the identity challenges faced in the merger of two health related organisations. In



this paper our focus is on the challenges faced during implementation of MIS during the merger of two public sector institutions in Pakistan. When it comes to the implementation of ICT related projects, there are three main stakeholders – the top management, the IT professionals, and the end users. The top management considers the cost-benefit aspect of the IT implementation. The IT personnel of the organisation are supposed to acquire the required software, equipment and design and development of the systems. The end users are the people who use those systems. Besides the fact that latest technology is easy to acquire and implement, research shows that most of the IT related projects fail to be completed in a specified amount of time with available resources (Alami, 2016). The primary reason of these failures stem from the fact that the end users are usually not included in the processes of its implementation.

Thus, our research focuses on the issues and challenges that arise in the implementation of MIS and ICT systems in the new organisation that is created as a result of mergers. More specifically our research aims to investigate the interplay of two public sector institution's organisational identities and sensemaking of team members involved in the integration of their respective MIS and the influence of this interplay on resulting MIS functionality within a post-merger context.

2. Theoretical Background

Organisational theory signifies that personal needs or collective goals can be met with a sense of organisational identity. There is ample literature on the idea that formal organisations can be analysed through a simple conceptual understanding of the organisation itself. The famous question 'who are we as an organisation?' can put construction of thought towards the image of the organisation and towards the culture of the organisation (Ismail & Baki, 2017; Ravasi & Schultz, 2006). The psychological or rational perception of organisational members regarding their organisational membership represents a collective thinking towards their unity in terms of values and norms and also in terms of practices and procedures. This is how one organisation differentiates itself from other organisations. (Albert & Whetten, 1985). Organisational identity is usually thought to be an asset that is both dynamic and durable; dynamic because it is a product of continual change and durable because whatever form it takes, it remains as a source of the overall image of an organisation. This image is a consolidation of idiosyncratic qualities of organisational members. Such an image is an emergence of personal interpretations like experiential learning and professional practice that dynamically give meanings to different shades of identity (Zhu, 2016; Clark, Gioia, Ketchen, & Thomas, 2010). The sense of identity of the organisational member is shaped by the increasing conception of individual's role in shaping the organisational identity. The interpretive mechanism that keeps defining the organisational identity takes a wider influence of experiences, personal attributes, and behaviours of the organisational members. This organisational governance is best described by (Hogg & Terry, 2000; Dutton, Dukerich, & Harquail, 1994).

Organisational culture and identity are interlinked dynamically. Several research attempts have taken up this challenge and have tried to differentiate the two (Fiol, 1991; Hatch & Schultz, 2002). The culture of an organisation is perceived to be a figurative framework that molds perceptions in a shape of identity (Hatch & Schultz, 2002). This clearly implies that identity is the byproduct of a belief system that gives reasons and logic to organisational members for shaping or reshaping organisational identity (Fiol, 1991). There is ample literature that presents the idea that change in identity is a dynamic process. External environmental changes like organisational mergers, acquisitions, or spin-offs trigger internal identity perceptions of an organisation (Chang & Cho, 2017). People start thinking differently when they are supposed to merge with other organisations. There are numerous organisational identity challenges that they face. Such challenges are truly dynamic in nature and depend significantly on the organisational members' interpretive systems. The complexity of mergers may further complicate the changing nature of organisational identity (Corley & Gioia, 2004).

When organisations merge, the post-merger scenario attempts to make a better sense of the newly formed organisation (Henningsson & Kettinger, 2016), where experiences, perceptions, values, practices of merging organisational members converge. According to Scott and Lane (2000), "negotiated cognitive images" make an organisation's identity that result from several dynamic interactions. Change questions organisational identity from several dimensions namely the cognitive, emotional, and social. The term 'sensemaking' is used by scholars to reflect on reconsideration and reconstruction of organisational identity (Kudesia, 2017). In a post-merger context, the merger of experience, perceptions, and belief system of the organisational members, is both an interesting and important research dimension that needs attention. There may be conflicting situations in terms of reshaping organisational identity that require research attention. Organisational identity in normal times, a pre-merger context and a post-merger analysis are notable research dimensions that can better inform stakeholders in strategizing mergers. Weick, 1995, believes that sensemaking remains a developing term in light of reflective meanings of individual's role in the organisations. This debate is exacerbated when new situations are faced by organisational members especially in the context of ambiguity and uncertainty (Tallon & Kraemer, 2007; Weick, Sutcliffe, & Obstfeld, 2005). Mergers will challenge organisations in reconstructing the sensemaking as post-merger organisational work practices will change. Researchers like Gilliland & Day, 1999, while working on organisational theory have identified two basic properties of sensemaking including plausibility and identity construction. There are others like Weick, Sutcliffe, & Obstfeld, 2005, who believe that when stakes are high, organisational members assert themselves more in interpreting identity. This enables understanding towards improving things dynamically in making credible elucidations about the purpose and meaning of an organisation.

In the context of merger of two public sector institutions based in Peshawar, the capital city of the north west province of Pakistan named Khyber Pakhtunkhwa, are the focus of this research. One institution based in one region of the province merged with its counterpart in another

region (further details in the next section). Organisational members of both merging organisations will have their respective organisational identity and sensemaking challenges. Data can deliver several informed insights towards such compelling challenges and dimensions. Individuals of the merging organisation will carry and use their personal elucidation of identity and will try to influence perceptions of the merged organisation in defining identity in future. This will be true for the organisational members of the merged organisation as well as those who will bond together to impose their sense of the identity on the newly merged organisation. This macrocosmic conflict will lead to sensemaking rather slowly but will eventually shape the organisational identity of the newly formed organisation. Another notable dimension is the cross-functional collaboration that creates new knowledge for merging organisations. In our context, the merging organisations pose a serious and intriguing challenge to identity as projects initiated or completed by either organisation prior to merger will have a shared group sense towards their work as usual. The experiences, interactions, social exchanges, work habits, information systems used will have an evolved frame of organisational identity. It gets really interesting to understand how adjustment of expectations happen in merged organisations in this particular case. Orlikowski (2002) believes that knowledge creation is a product of social interactions in merged organisations. Such created knowledge results from individual dispositions on structures and social relationships. Brown & Duguid, 2001, question the alignment of knowledge adjustment in merged organisations as it will surely be difficult that how the diversity of the organisational identity of two different organisations could be unified to have a purposeful benefit? The question of ‘who we are?’ becomes complex and a little unsettling. Collaboration can lead thinking towards some boundaries based on interpretive rational sense of identity (Santos & Eisenhardt, 2005).

According to Tsoukas and Chia (2002) there are several levels of organisations that is like understanding a phenomenon of change at all organisational levels. A process theory is outlined for such contexts that posits that organisations have to be analysed at every level of complexity because change at different levels affect each other and there is a concept of cross boundary interaction (Poole & Van de Ven, 2004). This theory also signifies how organisational events are interlinked and how are they affected by each other. Another dimension that gives lead is the succession of patterns at small levels due to changes in patterns at macro levels. Several authors including Langley (1999) encourage researchers using organisational process theory in analysing change as rich contextual findings, illustrate the interaction of important factors like personal conceptions, information technology, knowledge base etc. Van de Ven and Poole (1995) assert that theories of change can better guide understanding in explaining the change dynamics. He calls them “motors” and presents them as a set of four theories “life-cycle, teleology, dialectic, and evolutionary”. Orlikowski (2002) asserts that events at different levels of organisations build frames based on individual perceptions developed over a period of time.

3. Methodology and Methods

This study has followed the case study methodology with a focus on understanding the phenomenon and its dynamics within the respective context (Yin, 2014; 2003). We chose an already implemented project, the MIS Integration Project as a case that focused on the merger of two public sector institutions, particularly integration of their respective MIS responsible for monitoring and related activities of the government's health-related development schemes and programs. The first institution named Directorate of Health Monitoring, Khyber Pakhtunkhwa (DHM-KP) is administratively set up along with its scope focused on Khyber Pakhtunkhwa, the north-west province of Pakistan. The second one that was merged with the former including its MIS, the Directorate of Health Monitoring, FATA (DHM-F), was looking after a similar nature of schemes and projects in erstwhile FATA (former Federally Administered Tribal Areas) of Pakistan. Geographically, the FATA had Khyber Pakhtunkhwa to its east and Afghanistan to its west. It served as a buffer zone and territory under the administrative control of Pakistan's Federal Government for more than 70 years since the country's independence in 1947. However, on May 31, 2018, the Government of Pakistan merged FATA with Khyber Pakhtunkhwa making it part of the province in light of the 25th amendment to the Constitution of Pakistan passed by the parliament. This ended FATA's special status thus paving the way for a huge administrative restructuring of the government's administrative machinery and bureaucratic setup that was in place for more than seven decades. It is within this context that we chose project of the merger of the above-mentioned two government institutions (DHM-KP and DHM-F) particularly integration of their respective MIS as our case. Our phenomenon of interest as derived from extensive review of literature is the interplay of the two institution's organisational identities and sensemaking of team members involved in the integration of MIS thus influencing the resulting MIS functionality within a merger context.

Even though previous studies have shown that the members of an organisation involved in organisational processes remember key events associated with these processes, it is likely that some of them in a retrospective study may not remember all of those events when they occurred since they did not consider them as important. This may result in respondents skipping details or insights during investigations or probing by the researcher (Leonard-Barton, 1990). To overcome such deficiencies, we obtained access to secondary data including archival documents associated with the MIS merger scenario including two merger related reports (1 institutional assessment report associated with merger and 1 MIS training needs assessment report in light of the merger), organisational restructuring in the form of revised organogram, and a number of emails and letters that team members exchanged during the time the MIS integration was being implemented as a project. We also followed Leonard-Barton's (1990) suggestion to engage these team members in informal conversations to gather useful data during our frequent visits to their offices inside the provincial government's secretariat located in Peshawar.

More importantly, two qualitative data collection tools were developed based on our review of literature – a semi-structured interview and a Focus Group Discussion protocol/framework. A total of 20 semi-structured interviews were conducted with the team members directly involved in the MIS Integration Project. A two-phased iterative approach was adopted to collect interview data whereby 17 interviews (no new information emerged beyond the 17th interview) were conducted in the first phase followed by initial analysis. In the second phase, 3 further interviews were conducted to seek data validation and address quality concerns. The FGD was conducted with a total of 15 participants including senior management (Director General, Additional Director, Directors and associated senior staff not directly involved in the MIS integration yet having a direct influence on the activities of the project). The archival data, interviews and FGD supplemented each other resulting in triangulation for the themes emerging from analysis.

The data collected through interviews was analysed using an iterative process suggested by Eisenhardt, & Graebner, 2007. During analysis we moved back and forth between data, themes emerging from analysis, and relevant literature in order to gather an in-depth understanding of the dynamics of the MIS integration. We developed the case write-up by analysing the archival documents, interview transcripts and FGD data. During case analysis, various themes emerged from the data. Moreover, we relied on a two-stage process of coding data. During the first stage we generated an interim “start list” of codes (Dey, 2003) prior to launching data collection through interviews. Most of the initial coding categories were based on the concepts of organisational identity influenced from Clark et al., 2010, and sensemaking (Tallon & Kraemer, 2007; Ellis, 2004). During the second stage, the interview transcripts, FGD data and archives were introduced into a qualitative analysis software named ATLAS.ti that helped us carry out further analysis resulting in themes and their interrelationships to help develop our model.

4. Results and Discussion

4.1. The Management Information System (MIS) Integration Project

During March 2012 the senior management at DHM-F decided to introduce a Management Information System calling it Developmental Projects Management Information System (DPMIS) at the Directorate and shift all data associated with monitoring of health-related schemes, projects and programs to the system. The need for this major strategic shift was felt due to a number of reasons particularly increasing focus of the federal government and international aid agencies on improving the health infrastructure and services in FATA including its seven tribal agencies/regions. A large number of health schemes and programs were being planned and went into implementation phase resulting in DHM-F experiencing increased staff workload in terms of field monitoring and generating reports. It was no longer considered feasible to continue to generate and manage data manually particularly since as it

offered limited options regarding the federal government's ability to plan for health-related strategy, and its execution and assessing the outcomes of a number of schemes and projects, not just sector and region-wise but also collectively. A similar scenario was developing at DHM-KP that was looking after an even bigger and administratively more complex health infrastructure and services spread across more than 20 districts of the Khyber Pakhtunkhwa province. Consequently, DHM-KP opted to go for an MIS around June 2013. Both the DPMIS at DHM-F and MIS at DHM-KP were web-based platforms that were built in-house by separate teams specialising in information technology and related expertise. However, in the case of DPMIS, consultants were also hired for the development of the system – a three-month project funded by an international donor agency in collaboration with FATA Secretariat's Finance Department. Both the DPMIS and MIS were essentially following a similar structure and pattern of reporting and data management associated with the following:

- a. Federal and/or provincial governments' development program and schemes focused on health services
- b. District-specific and/or tribal agency-specific schemes (including various execution phases)
- c. Service delivery status associated with various healthcare facilities within the domain of DHM-KP and DHM-F
- d. Monitoring of donor funded schemes
- e. Physical/field monitoring and inspection of up to 25% health-related schemes or projects

Despite similarities highlighted above, the monitoring and reporting methodology followed by DHM-KP and DHM-F, whereby the respective MIS and DPMIS were put in place, had peculiar differences owing to the differing nature of the administrative setups in KP province versus FATA. The KP government's district-level administration had a comparatively strong presence on ground with better access to the DHM-KP through a more robust communication mechanism. This was however, not the case with DHM-F, where FATA's ongoing struggle with maintaining a stable security, and law and order environment for the region, weak administrative infrastructure (including lack of adequate staff and facilities) and weak communications with DHM-F headquartered in Peshawar – the capital of KP province – complicated things affecting the design and functionality of the DPMIS.

Once the merger of FATA with Khyber Pakhtunkhwa happened (see Section 3), the decision to merge DHM-F with its bigger and relatively stronger counterpart, DHM-KP, was taken in June 2019. It took more than six months to fully implement this merger process whereby a number of strategic decisions were taken to overcome legal, structural, political and other roadblocks. Within this context and timeline, the MIS Integration Project was launched in October 2019 and continued till January 2020 spanning four months. The project was led by a core team of seven members including five from DHM-KP and two from DHM-F. The core

team was supported by the top management including the Director General DHM-KP and Additional Director General (the former administrative head of DHM-F reassigned to DHM-KP as a result of merger). At the outset of the project members of the core team from DHM-KP proposed reformulation of guidelines for standardisation of practices regarding monitoring at DHM-F in line with DHM-KP. Initially during the first month of the integration project, the two members of the core team from DHM-F struggled to find common ground for setting up workflows, procedures and protocols that align with the MIS in place in DHM-KP. A formidable hurdle was the conversion of data from the DPMIS to the MIS whereby a number of glitches were identified hampering the process of integration as per the preassigned timeline.

4.2. Theme One: 'Our Way vs. Their Way'

At the onset of the MIS Integration Project, there were two distinct MIS 'sites', one placed at DHM-KP located within provincial government's secretariat in Peshawar city and the other placed at DHM-F housed within the FATA secretariat also located in Peshawar. Consequently, collaboration amongst the members of the core team was not possible unless they understood differences between the practices in place regarding the two separate MIS. While attempting to negotiate common procedures, team members from DHM-KP engaged in discourses that seemed to overstate the differences in the practices and procedures associated with the two MIS. They tried to convince their counterparts from DHM-F (the two members) how much better and improved functionality their MIS offered compared to DPMIS (owned by DHM-F). Evidence suggests that these discourses of 'Our Way vs. Their Way' resulted in a 'mini-clash' between proponents of the two MIS resulting in an ongoing process of justifying why each constituent team felt the need to convince the other to customise components of the MIS resulting from the integration project. This scenario pointed to the presence of a continuing struggle amongst members of the core team to impose their respective organisation identity as being the relevant or dominant one as opposed to the alternative being offered by the other. Even though the merger of the DHM-F with DHM-KP was announced five months before the MIS Integration Project was launched, the boundaries around the pre-merger scenario continued to remain in the minds and approaches of the people during the MIS integration. Consequently, a sense of competitiveness between DHM-KP and DHM-F, and the existence of a pre-merger organisational identity that derived from a focus on differences amongst members of the two organisations was found. This resulted in the MIS integration-related decisions to be conceived and applied differently at the level of senior management compared to the core team responsible for the technical aspects of the actual MIS merger. Data also suggested that members of the core team used their sensemaking of organisational identity as a reference while assessing the changes in their tasks and practices that the MIS integration might bring.

Both MIS platforms, being web-based with a greater reliance on open source mechanisms, was conducive to implementing changes while preserving some pre-integration and pre-merger

practices (e.g. data entry into specific online forms and fields). As a result, after implementation of the merger and integration, the resulting MIS unified most system protocols associated with field data in line with the monitoring framework agreed upon at the onset of the merger of the two organisations and later the MIS Integration Project. Our analysis found that the sensemaking-based symbolic discourses of ‘Our Way vs. Their Way’, impacted the final outcomes of the integration and the resulting MIS. While the documented and agreed upon MIS Integration Framework suggested a seemingly smooth transformation from DHM-F to DHM-KP, the final MIS functionality pointed to a trade-off between new components to be added into the integrated MIS and pre-merger components of the two separate MIS. As a result, we put forward our first research proposition:

P1. *Discourses and procedures emanating from sensemaking of ‘Our Way vs. Their Way’ influence the outcomes of a post-merger integrated MIS in such a way that the final MIS functionality will be different from the originally planned functionality.*

4.3. Theme Two: Entrenched and Engrained Old Organisational Identities

Members of the core team from DHM-F perceived the MIS Integration Project as a means to rectify or compensate for their sense of loss of organisational identity. For example, one of the team members suggested that:

“The merger was imposed upon us without giving us any option or choice. We were losing our sense of identity and the way we had been managing our affairs since the last many decades. We were sort of losing our institutional identity as the harbinger of FATA and its people” (Assistant Manager-MIS, DHM-F)

In order to resist the potential formulation of a new identity, team members attempted to demonstrate their old identities through expressions and statements using their respective jargons, terms and definitions. However, evidence suggests that in most instances it proved to be counterproductive for the deliverables associated with the MIS Integration Project.

“The approach at DHM-KP has always been monitoring health sector projects focused on the 26 districts of KP. FATA, its administrative setup and its monitoring approaches are significantly different from ourselves. It is difficult to collaborate all of a sudden on this MIS integration.” (MIS Officer, DHM-KP)

Each of the two pre-merger organisational identities were rooted in the common beliefs of the respective members of the two organisations related to perceived values that were aligned with their respective context and the perceptions of their roles and responsibilities. Our analysis revealed that during the first month of the four-month MIS Integration Project, members of the core team showed little interest in the stakes and interests of their counterparts. Realising the

snags early on, the senior management, especially the Director General DHM-KP, put pressure on the core team to perform the merger in a timely manner. It was around the middle of the project's second month that team members realised what was at stake and began to seek trade-offs available in order to achieve the goals associated with MIS integration. The interviewees and participants of the FGD revealed that there was a rationale behind their respective set of practices and procedures associated with the design and use of MIS. Their answers suggest the presence of separate contextual interpretations and organisational symbols in place at DHM-KP and DHM-F. Collaboration was made possible only when members of the core team began to realise and acknowledge that different stakes had to be taken into consideration while negotiating for common interests associated with retaining or changing various functionality dimensions of the MIS emerging from the integration process, as well as the merger of the two organisations. These findings have enabled us to put forth our second research proposition:

P2. *Recognising and appreciating the entrenched values and norms responsible for formulating varying organisational identities will allow team members to successfully collaborate while implementing an MIS integration in a merger scenario.*

4.4. Theme Three: Evolved Sensemaking of Organisational Identity and Resulting MIS Functionality – a Twofold Interactive Model of MIS Integration (TIM-MI)

Figure 1 below presents the TIM-MI emerging from the analysis of data.

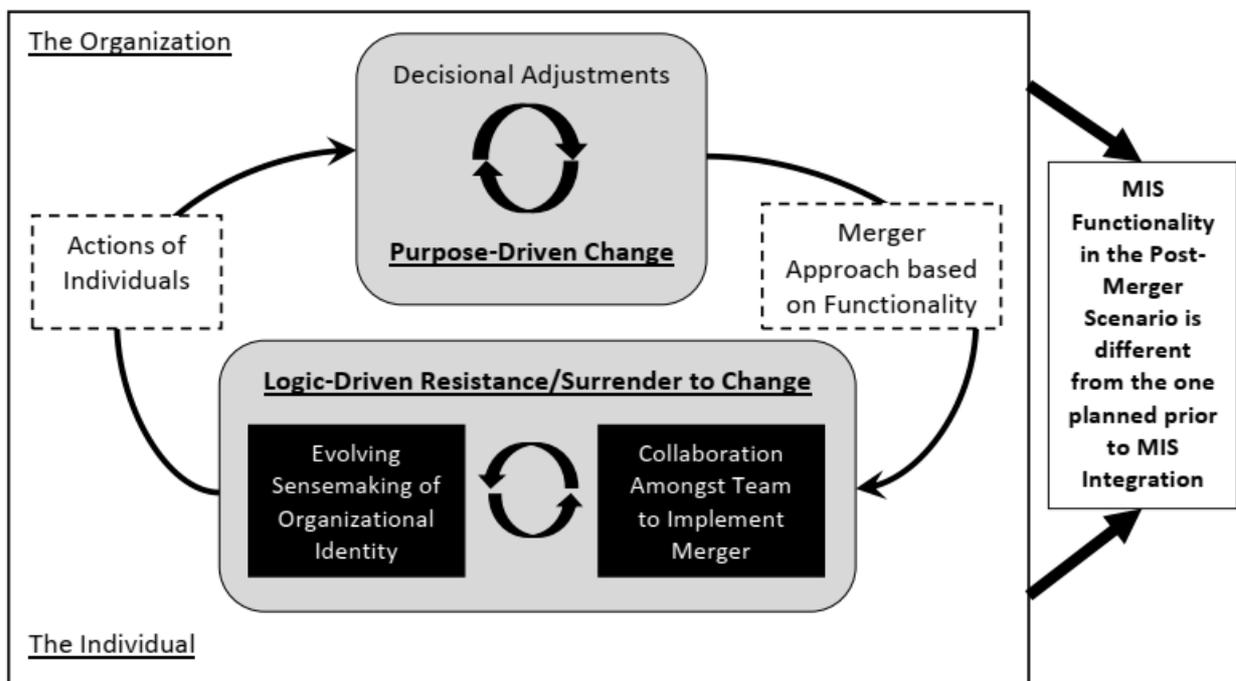


Figure 1: The Twofold Interactive Model of MIS Integration (TIM-MI)

Our analysis reveals that at the level of the individuals, their actions were being shaped by their sensemaking of pre-merger organisational identity. This emanated from a differing set of norms, values and symbols present within the two organisations. As an example, two of the field staff responsible for field monitoring and later incorporating data and developing reports within the MIS attempted to maintain the old norms by putting pressure on the core team that their original practices and protocols associated with MIS should be retained. As suggested by one MIS staff:

“We witnessed stiff resistance from field staff who had an approach of ‘sticking with our old way of doing things’. Some of them were unwilling to cooperate with us and insisted on staying with the same components of MIS as present before the merger took place and system integration proceedings were initiated.” (Manager MIS, DHM-KP)

Such individual actions were the result of the interplay between two key opposing forces. On one end was the sensemaking of the organisational identity and on the other the need for cooperation and teamwork needed to implement all components of the MIS Integration Project successfully and in a timely manner. Consequently, it can be concluded that the force that drives change at the level of the individual is based on the principle of logical argumentation whereby colliding stakes and opposing values compete with each other. In light of the above arguments and taking influence from Bodner & Capron, 2018; Graebner et al., 2017; Vieru & Rivard, 2014, we propose a Twofold Interactive Model of MIS Integration (TIM-MI) (**Figure 1**) that captures the interplay of organisation identity and sensemaking and its subsequent influence on MIS functionality. This model reveals itself at two prominent levels: the level of the organisation – Purpose-Driven (where the senior management decided to go for MIS integration as a natural consequence of the merger of DHM-KP and DHM-F) and the level of the individual – Logic-Driven (where the members of the core team and others struggled to defend their old ways of working with MIS in light of the sensemaking of their respective organisational identities). The outcome of the MIS Integration Project was a restructured MIS that enabled the small set of practices and procedures to be accommodated from the DHM-F’s DPMIS while preserving most of the MIS as in place at DHM-KP prior to merger proceedings. It is interesting to note that the initial functional design of the integrated MIS that reflected a common understanding between the senior management of DHM-KP and DHM-F was not the same as the final functionality the actual integrated MIS offered once all the four-month project activities were fully implemented. These findings are in line with Vieru, 2020; Vieru & Rivard, 2014, who investigated a post-merger information systems project for a large healthcare center and discovered a mix of “preservation” and “transformation” influencing the functionality of the resulting information system. As a result, we propose our third and final research proposition:

P3. *The sensemaking of organisational identities by individuals within a team corroborated with the decisional modification of the management overlooking integration activities will frame the final functionality of the integrated MIS.*

5. Conclusions and Directions for Future Research

This case study has found that even though the integration carried out as a result of the merger of two public sector organisations resulted in a transformed MIS, the result was a mix of preserving the old components of the system while incorporating new elements through a set of decisional adjustments. These adjustments were influenced by developing a balance between the purpose-driven change associated with the merger being championed by the senior management or leadership of the two organisations and the logic-driven resistance or surrender to change by key individuals involved in the integration of MIS. From a practitioner point of view, this research underscores the need for management to understand that while carrying out MIS integrations whereby the resulting functionalities of the system are meant to facilitate post-merger practices, it would be useful if the management understood why similar processes associated with MIS were performed differently at the relevant organisations prior to their merger. As far as contributions of this study to information systems research theory are concerned, we have demonstrated that the resulting functionality of an MIS after integration within a merger scenario is a reflection of the sensemaking of organisational identity (particularly norms, values and symbols) as perceived by people involved in the integration project and their collaboration with each other. More importantly, we have proposed a Twofold Interactive Model of MIS Integration that offers an explanation of how decisional adjustments of senior management at the organisational level influence the MIS integration activities at the individual level and vice versa. This study provides a unique and hitherto less explored context. It is the public sector and the merger of two public sector organisations within a developing country like Pakistan that is characterised by relatively weak institutional structures and poor public management practices. It will be useful if researchers continue to build the theory we have proposed by investigating other merger scenarios and MIS integration projects whether within the public sector or the corporate sector. Mergers are a common and well-researched domain within management literature. They are a form of a major strategic change that organisations may experience. A key challenge though is being able to manage all integration activities as a prerequisite for a successful merger, including MIS integration that is meant to create and facilitate synergies. This research points out that analysing and studying mergers characterised by MIS integration requires the ability to understand and manage pre-merger organisational identities in order for the merger and its constituent integration activities to achieve their intended objectives.



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