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Psychosocial factors influencing change management: An African cross-border acquisition case

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Orientation: Cross-border acquisitions are instrumental in international businesses' expansions, even though 70% fail. This necessitates risk and change management as driving forces. The context of this case study is within a change management initiative implementation during a cross-border acquisition between a global organisation and its African subsidiary.

Research purpose: The study explored the psychosocial factors that influence the successful implementation of a change management initiative. Also, recommendations are made towards mitigating psychosocial risks that should be incorporated as part of a well-thought-through change management initiative and process, in a multifaceted Africa context.

Motivation for the study: To understand the psychosocial factors posing a risk and becoming impeding factors within a multifaceted African merger and during a cross-border change management initiative.

Research approach/design and method: A qualitative approach and case study design, adopting a hermeneutic phenomenological paradigm, was applied. Data were collected through semi-structured interviews and analysed using Tesch's content analysis.

Main findings: Having an awareness of psychosocial factors influencing change initiatives, requires interconnectedness and co-construction, to enable successful implementation, while mitigating risk. The African context greatly values culture, relationship, trust, respect, and collaboration. Thus, risk cannot be managed without managing change and contrariwise.

Practical/managerial implications: In multifaceted Africa, the importance of stakeholder inclusion and engagement are highlighted, and the importance of stakeholder and task integration towards mitigating risks and modifying psychosocial behaviour are emphasised.

Contribution/value-add: Substantive evidence enables a better understanding of psychological risk factors impeding change within a multifaceted environment. Interconnectedness and co-construction enable effective risk mitigation and change implementation.

Keywords: change management; psychosocial behaviour; cross-border acquisition; risk management; qualitative research; hermeneutic phenomenological research.

Introduction

Orientation

The African financial services sector is one of the fastest growing sectors because of its high return on investment (Sant & Bhattacharya, 2020). However, clarity on whether acquisitions are worth the effort, especially across national borders considering its multifaceted nature, is still lacking. This includes diversity, integration, high acquisition costs, governance, and regulatory issues, and all the many other risks associated with them (Wilson & Bala, 2019). Particular emphasis is often placed on risk management (RM) during such acquisitions, as organisations aim to retain their proven practices. Regrettably, this often fails as contexts differ, especially across borders, and such practices clash with environmental and contextual dynamics present in the new country and organisation. Failure can also at large be ascribed to the lack of mindfulness afforded, the role human behaviour and its related psychosocial factors play to ensure successful RM (Wilson & Bala, 2019). According to the Psychology Dictionary, psychosocial factors refer to the sociocultural and environmental effects that influence behaviour and mental health on both individual and team levels.

Organisations require employees who are agile and adaptable, to thrive in the volatile, multifaceted, and uncertain world we live in (Malatjie, 2019). Large-scale change management

initiatives, including acquisition, require extensive tactical, strategic, and operational planning on individual, team, and organisational levels, to avoid severe negative consequences for both employees and the organisation, resulting in change failures and organisations not meeting strategic objectives (Nielsen et al., 2020). However, well-planned change management, on an individual, team and organisational level, provides a strong instrument ensuring sustainability and growth (Cummings et al., 2020). For instance, the implementation of an operational risk management (ORM) framework constitutes an extensive change management initiative, and should be dealt with great care, because of its intricate nature, while being cognisant of regulatory policies and practices implemented in an environment that is unfamiliar with it (Olson, 2023).

Research purpose and objectives

This case research originated because of a failed change management initiative of an African cross-border acquisition in a financial services organisation, that is the implementation of an ORM framework, as part of compliance regulations prescribed by BASEL II. In the financial sector, the Basel Committee (2015) prescribes broad supervisory guidelines and standards, including the Concordat on cross-border banking supervision (BIS). The African subsidiary was not familiar with the concepts of RM and ORM frameworks, as the regulatory authority in this country has not yet adopted the BASEL II framework. The implementation of the ORM framework was ineffective, because of a lack of synchronisation among the psychosocial drivers of the change, such as differences in social and organisational contexts and cultures, rate of adoption, and the framework's ability to adapt spontaneously to its environment. Decisively, the psychosocial behaviour of ORM employees, who are deemed to be the enablers of a successful implementation, became a risk and debilitating factor. By implication, how the global organisation elected to approach, plan and implement the ORM framework, became a risk in itself.

Several studies, both qualitative and quantitative in design, have been published exploring the organisational characteristics of cross-border acquisition transactions (Li et al., 2021). However, these studies focus mainly on compliance and regulatory issues; country-level, geopolitical, cultural, and economic indicators; industry factors and behaviour risk taking regarding shareholding perspectives, among others (Li et al., 2021). Literature outlines the sociocultural and human behavioural complications experienced during cross-border acquisitions (Sacek, 2012). Yet, a gap in knowledge seems to exist regarding how during a change management initiative, such as the implementation of an ORM framework, psychosocial behaviours emerge and impact the success of such a project. In particular, during a cross-border acquisition in the African context and more specifically in Tanzania. Also, while past research mostly focussed on the strategic and financial factors present during acquisitions, it mostly ignored the human side, that is the psychosocial factors (Viegas-Pires, 2013).

The objective of this study was therefore to explore the psychosocial factors that influence the successful implementation of a change management initiative, which is the implementation of an ORM framework, during a cross-border acquisition between a global organisation and its African subsidiary. Also, to make recommendations to mitigate risks within the psychosocial factors that should be incorporated as part of a well-thought-out change management initiative, to ensure its efficiency and success, especially within the diverse contexts of cross-border acquisitions in Africa. This article will contextualise change and RM, while highlighting the importance of the 'people' component as emphasised by the Basel Committee on Banking Supervision's (2001) definition of ORM as mentioned earlier and show how RM cannot be separated from change management.

Literature review

According to Fløvik et al. (2019), the psychosocial behaviour of employees is often the biggest source of risk within organisations, demanding a clear understanding of the drivers and enablers, or thwarting factors during any change management initiative. This includes considering whether the organisation has a culture of change acceptance, which includes employees' level of absorptive capacity and organisational readiness (Olson, 2023). Subsequently, to expand the level of understanding, it is necessary to explore how the constructs of change management, RM, and how RM is change management, are conceptualised in literature.

Change management

Organisational change takes on many forms, structurally and procedurally, but in essence it refers to changing the current status quo, often in relation to fundamental operational principles, to accommodate new advancing operational principles and requirements (Fløvik et al., 2019). Considering both the organisational processes and the individual change theories, such as Lewin's (1947) classic change model, the system learning concept of Senge (1990) and the transactional versus transformational models of Hargrove (2003) have influenced many change initiatives over the last few decades. During change initiatives, the aim is to ensure an effective transition from the current state to the future state. This process is highly dependent on transparent, clear communication of the strategic objectives of the initiative, to create a safe environment in which employees are willing to leave their comfort zones and embrace a new status quo (Maharaj & Pooe, 2021). Change initiatives are often unsuccessful because change agents do not consider all the variables that influence an organisation's readiness to change, and they ignore employees' level of absorptive capacity for change.

The dependent variable, organisational readiness to change, is influenced by the independent variables of contextual factors, leadership, organisational culture, employees' level of absorptive capacity, organisational capability, and technology (Alolabi et al., 2021). Therefore, externally, this

could include a change in market trends and customer demands or not staying abreast of technology. Internally, it could be situated within behaviour, for example, how new policies and procedures are enforced upon stakeholders (Cummings et al., 2020), and flawed change management plans, which include the psychosocial behaviour of its employees who, ultimately, become the enablers of successful change management through the numerous roles they are required to execute (Alolabi et al., 2021; Maharaj & Pooe, 2021). To mitigate risk within a change management initiative, change agents should acknowledge and positively influence the psychosocial factors that could hinder success. This includes creating mutually beneficial psychological contracts, strong stakeholder trust relationships, engaged employees, and an awareness of all the diverse elements within the change context and organisational environment, which could either hinder change or drive strategic objectives (Alolabi et al., 2021).

African cross-border acquisitions shape change management mainly through four facets, namely, culture, relationships, motivation, and behavioural indicators (Van Niekerk et al., 2012). Organisational culture and societal culture influence stakeholder responses towards a cross-border change initiative (Nkemakolam et al., 2021). It is well known that successful change management is reliant on strong, interdependent stakeholder relationships, beneficial to the self, organisation, society, and community at large, with a clear emphasis on effective consultation and communication (Blom, 2018). Furthermore, a solid understanding of employee motivation is needed within the diverse cultural context that the organisation operates in, again towards the self, the organisation, and society and community at large, to warrant employee engagement. Negative motivation might result in feelings of fear, especially in relation to security found in job performance, job security, loss of income, and strenuous relationships with colleagues and clients (Alolabi et al., 2021). Conclusively, should the change initiative be predominantly transactional in nature and not consider the psychosocial impact on stakeholder behaviour, employees might become disengaged, resulting in poor execution and failed change (Cummings et al., 2020).

Rana et al. (2022) emphasise the important relationship between successful cross-border acquisition initiatives, and the negotiation process. They highlight the complex nature of international business negotiations, because of the multitude of issues, stages, and actors involved in the process. Also, how the presence of multiple role players could lead to dyadic relationships, which rush the negotiation process and ignore the importance of incorporating theory development. This quandary is further complicated by the presence of second-level role players, such as national regulatory institutions, trade unions, and society (Rana et al., 2022). Subsequently, Rana et al. (2022) proposes the *turning points framework* to be used as a foundation to develop guiding and prescriptive theory, which will direct stakeholders in the causality between process and outcome, while offering a reflective and predictive assessment of the negotiation process.

It can be concluded that the influence of the application of a change management initiative, such as the implementation of an ORM framework and its related policies and procedures, is often underestimated and becomes a new form of risk altogether. Subsequently, the purpose of an ORM framework and what it wishes to avoid or contain, is not achieved because of a flawed change management initiative not acknowledging and working with the risks associated with, among others, psychosocial behaviour.

Risk management

Annually, organisations spend more than $4tn on cross-border acquisitions, even while 70% to 90% fail to meet their intended objectives (Joshi et al., 2018; Rana et al., 2022). Coupled with global, economic uncertainty and the multi-layered nature of acquisitions, it is no surprise that organisations place great emphasis on the management of risk, including ORM. In the financial sector, the Basel Committee on Banking Supervision (2006) defines operational risk as the risk of loss because of insufficient or failed internal processes, people and systems, or loss because of external events. The role of people is worth emphasising as they are the custodians of RM and become the actors who need to drive and enable successful RM.

Literature argues that the primary purpose of RM is a strategic act, executed by employees, and aimed at influencing efficient operations, while imposing regulatory compliance in a sensible and responsible manner to ensure sustainability (Wilderer et al., 2018). The context of the cross-border acquisitions is dynamic and informed by a multitude of actions or events and is associated with certain uncertainties and probabilities preceding the risk and impacting the management of risk (Rana et al., 2022). Martin (2010) warns of the destructive capability of financial, operational and reputational risk, and warns how the financial sector in particular is besieged by examples where RM, and in particular ORM, is not treated, intentionally or perhaps ignorantly, with the necessary importance it deserves, especially in the complex African cross-border context.

Therefore, it is argued that the implementation of RM is not managed in a sensible and responsible manner, but merely becomes a compliance exercise which is task and not necessarily people driven. In addition, as Joshi et al. (2018) maintain, an in-depth knowledge of RM is necessary among all stakeholders to enable the implementation of effective controls aimed at mitigating probable losses and/or failures. So, why then is it that the management of risk fails within the cross-border acquisition space? Jain (2010) believes the answer to this question is situated within stakeholder involvement and how their psychosocial behaviour can best be influenced by giving attention to: (1) empowering all stakeholders with knowledge of identifying, measuring, monitoring, and controlling the intrinsic risk exposures across all levels; (2) outlining personal roles, responsibilities and accountability towards managing operational risks; (3) resourceful distribution of operational risk capital; (4) reliable

and timely ORM reporting proficiencies; and (5) a risk-intelligent workforce and environment. Conclusively, an integrated, proactive approach, marrying task and people, to ORM is required to ensure that the cross-border acquisitions are successful, and ORM framework implementation is sustainable and effective in managing risks (Wilderer et al., 2018).

Risk management is change management

Risk management implementation is dependent on effective international business negotiations and the use of a well-established framework, such as the *turning point framework*, which serves as a foundation for theory development, guiding stakeholders through the change initiative, ensuring connectedness between process, people and outcome, while enabling reflective and predictive assessment of the negotiation process (Rana et al., 2022). To mitigate risk, Pillay et al. (2021) propose that the absorptive capacity of the organisation be determined prior to the acquisition. To evaluate the absorptive capacity and to manage these risks accompanying the change management process during RM, numerous psychosocial components should be considered. Absorptive capacity is defined as an employee's capability, motivation, and ability to access, integrate, and utilise internal knowledge with externally acquired knowledge and, in doing so, create synergy to deliver the intended outcome (Pillay et al., 2021).

Blom (2018) cautions that implementation is also dependent on a receptive organisational culture and stakeholders' agreements as to its purpose, benefits, and the new desired state. It is within this space, between the current and future states, that a transitional state exists, which contains all the psychosocial dynamics associated with change management. Olson (2023) highlights six components towards creating an organisational culture of change acceptance and mitigating risk. These include: (1) legitimacy by actively engaging with your organisational change influencers, (2) providing everyone with ownership by giving them a stake at the table to participate in interactive discussions, (3) giving relevance to the change by linking it to latent change which should have happened long ago, (4) making the change attainable by creating a series of micro-changes, (5) portraying authenticity by means of embodying behaviours that support the intended change, and (6) creating impartiality by bringing in a third party who can help facilitate the change from a neutral stance.

With organisational change initiatives, such as acquisitions, it is important to recognise that while employees might buy into the change, it does not guarantee an easier implementation (Olson, 2023). It does however forge strong relationships of trust, equality, and strength, which are vital when the going gets tough, but that also needs to be regularly revised to ensure continuous engagement and to preserve the cycle of resistance (Olson, 2023). This asks of organisations to manage the required change in a manner that reduces the complexity into more manageable parts, making it less daunting and

equipping employees with the belief and skills to buy in and to deal with the mandatory change more proficiently (Nkemakolam et al., 2021). Lawrence (2019) warns when simplifying such a complex phenomenon, one should not deal with one aspect at a time, as the context is multifaceted, and many things happen simultaneously. The conventional organisational theory depicts organisations as rational, ordered, and regulated spaces where decisions are made sensibly and in a conventional manner, yet it demands of employees to deal with a multitude of challenges at any given time, as organisations are in a constant state of change (Lawrence, 2019).

A further risk in the change process is the emotional strain that employees experience, resulting either in positive or negative outcomes both for the employee and the organisation (Blom, 2018). Negative emotional strain influences employees' overall well-being, both psychologically (i.e., stress, anxiety, depression) and physiologically (i.e., physical illness – high blood pressure, cardiovascular diseases, diabetes, etc.). It also leads to low morale, feelings of losing control, job and remuneration insecurities, high staff turnover, disengagement, and lower productivity (Slade et al., 2022). Conversely, when employees perceive the change positively, it results in increased employee engagement, innovation and creativity, productivity, job satisfaction, organisational commitment, and strong trust relationships (Slade et al., 2022).

Organisational change theories, like the Action Research Model and Lewin's Change Management Model, approach change in a mechanistic manner, valuing logical problem-solving capability to evaluate a problem, resolve the problem, and putting it back into the desired state (Cummings et al., 2020; Lawrence, 2019). In addition to an organisation's absorptive capacity (Pillay et al., 2021), an organisation is the product of its employees' psychosocial behaviour. That is the way employees think, learn, participate, and embrace new ways and knowledge, and how this influences successful change management and RM implementation (Blom, 2018; Cummings et al., 2020). Therefore, Watkins and Mohr (2001) propose a positive approach to change management from a co-constructionist view, where:

> [O]rganisations create and move toward their vision and desired future in harmony with the world view that sees interconnection of all parts of a system; that accepts the complexity and subjectivity of the world; that knows planning to be a continuous and iterative process; that embraces the concept of many truths and multiple ways of reaching a goal; that understands the relational nature of world. (p. 1)

Also, Watkins and Mohr (2001) present appreciative inquiry as a model through which an environment is created that encourages an appreciation of what is working well, thus, embedded in contextualism, retaining it while building on it by incorporating innovative and creative new ways to build towards a more efficient position of strength. From the co-constructionist view, including appreciative inquiry, it is presupposed that reality and identity are co-created; employees see things as they are; employees are truly

interconnected; and that reality is constructed through dialoguing. This leaves employees feeling connected, respected, and included (Lawrence, 2019).

As is evident from the above discussion, employees are key in ensuring the success of a change management initiative (Mullins, 2016) as change is a personal and emotional process (Blom, 2018; Slade et al., 2022). Yet, literature providing insight into the psychosocial factors that influence the successful implementation of a change management initiative, especially within the diverse context of cross-border acquisitions in Africa, seems lacking. Subsequently, further exploring this topic, within such a multifaceted and diverse African context, will equip change management and RM specialists with recommendations as to how best risks can be mitigated. It will also enable them to conceptualise well-thought-through and successful change management initiatives and processes, in which employees are active role players and contributors, driving the necessary change and managing the risks, instead of becoming a risk through their psychosocial behaviour.

Based on the above problem statement and literature review, the specific objectives of this study included:

- To explore the psychosocial factors that influence the successful implementation of a change management initiative, which is the implementation of an ORM framework, during a cross-border acquisition between a global organisation and its African subsidiary.
- To make recommendations to mitigate risks within the psychosocial factors that should be incorporated as part of a well-thought-out change management initiative, to ensure its efficiency and success, especially within the diverse context of cross-border acquisitions in Africa.

Research design

The research design is a framework which provides the researcher with a systematic process map and includes the research approach, research strategy, and research method to be adopted (Creswell & Poth, 2018).

Research approach

A qualitative case study research approach was adopted, as it enabled gaining a deeper understanding of the operations of a particular organisation in a unique context and a specific event or intervention affected this organisation and all stakeholders involved (Creswell & Creswell, 2017). Applying a qualitative research approach enabled the researcher to meet the research objectives while also addressing ORM business objectives, by focussing on explaining and describing the true inner meanings of the phenomenon being studied (Zikmund et al., 2013).

Research strategy

The research strategy was informed by the hermeneutic phenomenological paradigm, as it acknowledges how participants subjectively construct their lived reality as they make sense of a specific phenomenon (Creswell & Poth, 2018). Therefore, adopting a hermeneutic phenomenological strategy enabled a standardised exploration towards better understanding how participants' behaviours in relation to their values, beliefs and assumptions influenced the aim of mitigating risks in order to create synchronisation (Choy, 2014).

Research method
Research setting

Interviews were conducted, face-to-face in Tanzania with 46 participants situated within the organisation's head office and branches. Interviews were conducted in English, with a translator present who assisted as was necessary.

Entrée and establishing researcher roles

Permission was obtained from both the organisations involved in the acquisition to conduct the research. Thereafter, ethical clearance was obtained from the Research Ethics Review Committee of the tertiary institution (Ref.: 2020/CEMS/IOP/019). Participants were informed of the background and purpose of the research, and their expected roles, whereafter they were required to sign a written informed consent form outlining the ethical guidelines followed by the study, such as voluntary participation, protection of confidentiality and anonymity, and how results will be reported. The role of the researcher was to establish a relationship of trust with the participants to create a context in which they felt safe to authentically share their lived experiences. The researcher was further able to engage with an intuitive element and stood in a strategic relationship with the data, enabling reflexivity and gaining of knowledge and insight (Creswell & Creswell, 2017).

Research participants and sampling methods

The unit of analysis, in this case, was employee behaviour, using employees and the underlying psychosocial factors present in their behaviour, as the owners of knowledge to be explored in answering the research questions of this study (Sutton & Austin, 2015). Participants were purposefully selected across various levels and departments within the organisation's head office (HO) and branches (B), all involved in RM. The 46 participants included 27 males (M), 19 females (F), three white people (W), and 43 Africans (A). The inclusion criteria applied in selecting participants for this study required of participants to be permanent employees involved in ORM, lived in the Tanzanian culture, and have been directly involved in the implementation of the ORM model (Creswell & Creswell, 2017).

Data collection and recording method

True to the hermeneutic phenomenological methodology, data were collected in this exploratory study by means of semi-structured interviews (Creswell & Creswell, 2017). This approach enabled flexibility to explore the lived

and intersubjective experiences of participants, and as a community of participants, to identify the psychosocial factors they experienced as having an influence on the successful implementation of this change management initiative, which is an ORM framework (Creswell & Poth, 2018). Also, to explore recommendations towards ensuring a well-planned and executed change management initiative, by mitigating the risk psychosocial factors could pose to the successful implementation of an ORM framework, particularly within an African cross-border acquisition context. All participants gave permission for the semi-structured interviews to be audio recorded in the informed consent forms they signed, prior to the commencement of the interviews. The researcher also made notes during the interviews.

Strategies employed to ensure data quality and integrity

Triangulation was ensured by involving two independent coders who co-coded the first 10 interviews, by means of applied framework analysis (Srivastava & Thomson, 2009). This confirmed the researcher's dependability as data analyst, to establish multiple perspectives and confirm the credibility of the coding, while enhancing rigour (Creswell & Creswell, 2017).

Data analysis

Tesch's (1990) eight-step content analysis methodology was applied, that is, data preparation (transcribing recordings), obtaining overview of the data (reading interviews to obtain holistic overview and background), coding (allocating open codes by searching for switches between one topic and another), generating categories and themes (using a spreadsheet, comparisons were sought and categories were clustered into themes), continue with coding (go back to transcriptions and coded relevant parts), unfolding the themes (allocating descriptions to themes), interconnecting themes (summarising themes and categories in line with the research question and aims), and interpretation (crystallising theme into a research output) (Creswell & Creswell, 2017). These eight steps enabled the researcher to obtain a holistic view of the data and the context in which it was collected.

Reporting style

Reporting of the findings was supported by verbatim quotes, remaining true to the authentic voice of the participants and to present a description of the participants' lived experiences of the change initiative and the psychosocial factors that emerged from these experiences and enabled, or not, risk mitigation and a successful change management initiative (Creswell & Creswell, 2017). To ensure confidentiality and anonymity, pseudonyms were used (Sutton & Austin, 2015). For example, Participant 41AMHO is the 41st participant and an African male based at the head office.

Results

This research yielded three themes (see Table 1) indicating how responsibly managing the process of change management,

TABLE 1: Themes.

Change management: the driving force behind risk management	
Psychosocial factors influencing the change management process	• Impeding factors creating resistance • Stakeholder engagement and communication • Stakeholder and task integration: modifying behaviour

by acknowledging the psychosocial factors that influence the process, becomes a driving force behind the successful implementation of RM. These themes are: (1) impeding psychosocial factors creating resistance; (2) stakeholder engagement and communication consultation; and (3) stakeholder and task integration: modifying behaviour.

Impeding psychosocial factors creating resistance

It is a well-acknowledged phenomenon that when two organisations merge, change is often resisted on many levels and by many stakeholders (Cummings et al., 2020). Participant 25AMHO and Participant 43AMHO emphasise the need to first understand why the change is necessary and what the benefits are. They further note a lack of understanding why risk management should be implemented and why all the changes were necessary, leaving employees aggravated, and directly impacting their psychosocial behaviour.

The hostility is described between the staff of the two organisations during the acquisition and reasons were given believed to be the cause of this friction, which ultimately led to resistant behaviour:

> 'Well, I think the mood in terms of the staff, it was pretty much hostile, firstly because of change […] people are not used to that, that's number one. Number two, people are used to seeing black people like him, South African, but when they saw the expats came here […] But then of course, the cultural diversions because that played, in my view, a major role in the turbulence that we went through – we had four strikes.' (Participant 38AMHO)

It was also noted by Participant 2AFHO how after joining the organisation soon after the acquisition, the employees' unhappiness was obvious and how this resulted in resistance. In addition to how the needed change was accepted and embraced between the two organisations, specific mention is made as to how the change was accepted between departments and among clients. Participant 27AMHO observed how some departments accepted the change, while others experienced it as negative and resisted it. The resistance also extended to the public and seems to have stemmed from a fear of the unknown as Participant 43AMHO explains:

> '… [I]t was really tough because staff did not know their fate… fear of the unknown. People did not know what will happen, so that one also blows the resistance and because the public itself was negative, so even the workers.' (Participant 43AMHO)

Some participants shared why they believed employees resisted the proposed changes. According to Participant 2AFHO, this included employees feeling they were treated

like children, while Participant 30WMHO notes disruption was caused by system upgrade failures, resulting in being off-line for months and the results thereof. Participant 11AFHO and Participant 38AMHO observed generational differences in how employees coped with the change and how, especially the older generation, resisted the change.

The change was resisted as participants viewed the management of risk to be all about control. The ORM framework and the subsequent proposed changes associated with it were deemed of a sensitive nature and not being consulted during the planning and implementation phases, resulting in a lack of trust, dissonance, and friction. This also affected change that appeared to be positive:

'There were some things which were sensitive, which the union felt that they need not implement them without consulting them, but no, they went on without consulting them, they implemented…Really, even if something good is in that they say, "Humph, really?" This is not just in words, "maybe these people have a hidden agenda." And because there was no consultation from time to time, harmony in the work was not there. It goes with frictions.' (Participant 43AMHO)

Stakeholder engagement and communication

Participants emphasised the enabling, strengthening role effective communication and stakeholder consultation played in influencing behaviour by establishing a true understanding of the purpose of the proposed changes, and its necessity and importance. In contrast, a lack of communication and stakeholder consultation weakens the impact of change management, results in weak stakeholder relationships and leads to lower levels of acceptance and increasing risk. Most participants shared their lived experience of frustration because of poor communication and a lack of stakeholder consultation.

Participant 27AMHO, Participant 2AFHO, Participant 46AMHO, and Participant 25AMHO proposed the value of open communication and stakeholder consultation initiated by management in influencing psychosocial behaviour towards better problem-solving and overcoming differences, because it keeps employees involved and well informed throughout the change process. It also enables employees to buy into the benefits of the proposed change:

'I think management should reach out more and people should be more involved. They should feel part of the big strategy. Not for them to be involved in the big decision-making but at least the portion that they are supposed to contribute, it should be considered. You see some people in the branches – they feel like they are not part of [the local bank] actually… .' (Participant 2AFHO)

Participant 38AMHO, Participant 14AFB, and Participant 19AFB expressed the need to have their internal wealth of knowledge acknowledged, as they believe this could assist in ensuring a smoother transition. Being heard and having a space in which important matters can be mutually reflected on, before decisions are made, was another wish expressed as it creates an experience of shared ownership.

Stakeholder and task integration: Modifying behaviour

Psychosocial behaviour was directly impacted by ineffective stakeholder integration as participants shared how they were not heard and there was no room to share their knowledge of the context. Instead, without being given an opportunity for collaborating, consolidating, and sharing complementary resources, they were merely instructed. Consequently, employees experienced feelings of losing control, directed their psychosocial behaviour towards destructive and negative attitudes and behaviour, thus impeding efficiency. To regain some control, employees might attempt adapting their behaviour, as is noted below:

'Yeah, sometimes they try to push things using their positions, but what we do is that we change the language, we try our level best to just explain…to make sure that we get what we want instead of trying to command them.' (Participant 43AMHO)

'… [W]e try to enforce that and say, "no, no, don't interrupt so much." We expect that [the local bank] is independent, it's a subsidiary, everything should be done here, but need the knowledge, the technology, the support from the group to facilitate the operation, but not interference.' (Participant 36AMO)

In addition to loss of control, the introduction of new technology, how racial differences are dealt with, and trusting locals to deal with RM also influence employees' attitudes and behaviours:

'… [P]eople like me, fresh from school, energetic we go with technology and everything and something that the older many don't understand.' (Participant 7AFHO)

'The attitude has to change because now internally people think the management is white. Whites don't care about us. They want to make their profit and leave.' (Participant 7AFHO)

'… [W]e have succeeded in so many parameters, we've succeeded and people they know, they are aware of it and we can see, because when there is a fraud issue that way at least you can easily manage or trace the problem. It has simplified the trend or to find the problem.' (Participant 25AMHO)

Encouragingly, Participant 38AMHO observed a positive attitude towards the future success of the organisation which is strengthened by the new generation having a Tanzanian as managing director. Also, even though modifying behaviour through attitudinal change is complex and entails many layers, embracing new knowledge and new ways of working seems to be gaining momentum according to Participant 7AFHO.

Discussion
Outline of the findings

The process of change should be approached with great care and consideration as it influences psychosocial behaviour. Change becomes a personal issue filled with emotions and if experienced negatively, it becomes a thwarting factor filled with emotions such as fear, anger, and resentment, leaving employees feeling drained and hopeless, and the change

initiative failing (Mullins, 2016). If experienced positively, it can result in feelings of excitement and hopefulness, leaving employees energised and engaged.

Ivancevich et al. (1987) propose an acquisition process to be divided into four stages: (1) planning (exploring acquisition viability); (2) in-play (assessing acquisition feasibility); (3) standstill or transition (deal concluded, acquisition official); and (4) stabilisation (business settles into a new normal pattern). Likewise, Seo and Hill (2005) propose a four-stage integrative framework of: (1) pre-acquisition; (2) initial planning and formal combination; (3) operational combination; and (4) stabilisation. Failure to adopt an effective process framework, as was the case in this study, results in employees becoming disgruntled with management's adopted behavioural style, enforcing psychosocial behaviour which resists change (Mullins, 2016). The restricting factors affecting psychosocial behaviour leading to resistance in this case, predominantly stemmed from: (1) the purpose behind the required change not clearly explained; (2) doubt among employees of their fate, while feeling they are treated like children; (3) instantaneous system failure once the first changes were implemented; (4) employees feeling they are treated with disrespect; and (5) absence of stakeholder consultation or collaboration. Adopting a participative and consultative management style, encouraging stakeholder engagement, fostering trust relationships, employee engagement and buy-in, while countering resistance to the proposed change, enable the promotion of mutual respect among stakeholders, while creating an environment of trust, learning and development, and being receptive to new views (Cummings et al., 2020).

Participant voices emphasise the absence of effective communication, a key element within change management (Mullins, 2016) resulting in conflict and dysfunctional psychosocial behaviour. The presence of a space conducive to optimal stakeholder engagement, deliberation, reflection, and feedback towards a better understanding of the need for the change, while enhancing conceptualisation, and establishing shared goals and a vision, ultimately leads to better quality decision-making, reduced risk, and an effective change management initiative. (Cummings et al., 2020).

Practical implications

Understanding the psychosocial factors that drive positive behaviour and how to effectively engage with such behaviour is integral for it to become an enabler and driver of the change required while mitigating risk (Cummings et al., 2020). This demands a greater sense of risk and changed perceptions, as psychosocial behaviour is mainly informed by perceptions (Blom, 2019). It is also important to establish an organisational culture that is receptive to engaging actively with the change and that willingly embraces the construct of RM, by being open to integrating internal knowledge with external knowledge (Pillay et al., 2021).

Also, creating a balance between task and human integration, while managing risks within psychosocial behaviour, is a key competence custodians of change should own (Blom, 2019; Pillay et al., 2021). By adopting a co-constructionist approach, behaviour can be modified through stakeholder and task integration, enabling participants to become co-creators of the mandatory change, and moving from the current state to the future state in a more harmonious manner, while completely engaged in taking ownership of effectively managing all the complexities within this system.

It is evident from the findings how the South Africans infantilised the Tanzanians and placed themselves in a parent role, treating the Tanzanians like children. While the Tanzanians clearly resisted this parent-child relationship, they displayed a willingness to learn more about ORM, if it was done in a more respectful manner. Psychosocially, there was an interplay between competition and cooperation among all stakeholders. Competition, if constructive, can become an enabler, like cooperation, towards meeting an objective. Modifying stakeholder psychosocial behaviour can be facilitated within the competitive and cooperative space by providing opportunities for stakeholder consultation and knowledge sharing.

Limitations and recommendations

Certain limitations are worth noting. As this research was conducted in one organisation in one African country, Tanzania, and considering the diverse nature of the African context across borders, the findings do not epitomise experiences in other African countries. This study only considered the experiences of participants in the Tanzanian context and excluded the perspectives and experiences of the South African stakeholders, resulting in a one-sided view.

The following recommendations emerged from the study. Further research across Africa is recommended and, perhaps, comparative global research. It is also recommended that further studies should explore the experiences of all stakeholders involved in the cross-border context. It is also recommended that organisations should acknowledge the importance of incorporating a well-thought-through change management strategy when engaging in mergers, especially because of the presence of multiculturism.

In conclusion, substantive evidence is provided that within a multifaceted cross-border acquisition environment, awareness of the psychosocial behaviour within a change management initiative requires interconnectedness and co-construction, to enable successful change implementation, while mitigating risk. The African context greatly values culture, relationship, trust, respect, and collaboration. Thus, to ensure successful ORM framework implementation, risk cannot be managed without managing change and contrariwise.

Conclusion

In this study, which explored the psychosocial factors that influence the successful implementation of a change

management initiative, which is the implementation of an ORM framework during a cross-border acquisition, three themes emerged. Firstly, the results emphasised the impeding psychosocial factors creating resistance to change. Secondly, the study confirmed the importance of stakeholder engagement, communication, and collaboration, as each stage requires extensive decision-making and planning. This is supported by all four stages of both the frameworks of Seo and Hill (2005) and Ivancevich et al. (1987). Finally, the study highlighted the importance of stakeholder and task integration towards modifying psychosocial behaviour. In addition to the four stages of Seo and Hill (2005), it is during stage three (standstill or transition and operational combination), as proposed by Ivancevich et al. (1987), where employees need to operationalise the decisions by incorporating them into the business processes and procedures. It seems it is also at this point where most employees seem to be confronted with having to embrace new values, belief systems, and ways of doing things – all while they are evaluated against new performance standards (Pillay et al., 2021). Additionally, from the co-constructionist view and aligned to the principles of appreciative inquiry, it can be understood that reality and identity are co-created, and that employees see things truly as they are. Also, employees are indeed interconnected and, as a result, reality is best created through dialogue, leaving employees feeling not only connected, but also respected and included (Lawrence, 2019).

Acknowledgements

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