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GOVERNMENT LEADERSHIP**

MINI-DISSERTATION

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**In partial fulfillment of the requirements for the MBA degree
in the School of Graduate Leadership**

**TOPIC: Merger of the Department of Public Works,
Roads & Transport and its impact on Delivery of Service in
Mafikeng**

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The research is dedicated to my daughter Kenanao Sister Lekgetho, my grandson Olaotse Letlotlo Lekgetho and my partner Matlhwane John Phetlhu.

May the souls of my daughter Kano Lekgetho (who passed on at an early age) my parents Samuel Seokamo Letlhaku Botlhoko, Julia Mmadingoko Botlhoko and my brother Kagiso Eagerman Botlhoko rest in peace. It is hurtful that they won't be able to celebrate the wonderful achievement with me.

Declaration

I, Ikanyeng Patricia Lekgetho, hereby declare that this mini thesis for the degree of Master of Business Administration (MBA) submitted at North West University has not been submitted by me for any other degree at this or any other university. I also declare that it is my own work and materials and references contained in this study are acknowledged.

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Abstract

The research is about the merger of the Department of Public Works, Roads and Transport and its impact on delivery of service in Mafikeng. The former departments have a history of merging and at a later stage split again. A qualitative method was identified as the most relevant method for the research. Questionnaires were randomly distributed to collect data. There were 230 completed questionnaires using simple random sampling technique, 204 questionnaires were successfully completed. The distribution and collection took a period of two weeks. Three areas were covered, that is, Head Office, Ngaka Modiri Molema district and Molopo Sub-district offices around Mafikeng. The findings from the questionnaires show that there is a gap between managers and lower levels in terms of understanding the objectives of the merger. There is mixed uncertainty as a result of the merger especially to those employees who are working in support services, for example, Human Resource Management because to some extent their functions overlap.

Table of Contents

Chapter One: Overview of the Study	1
1.1 Introduction	1
1.2 Background to the Study	1
1.3 Problem Statement	2
1.4 Research Objectives	3
1.5 Rationale of the Study	4
1.6 Key Words	4
1.7 Research Design	4
1.8 Scope of Study	5
1.9 Layout of the Study	6
1.10 Conclusion	6
Chapter Two: Literature Review	8
2.1 Introduction	8
2.2 Definition of concepts and key words	9
2.3 Functions of the former department of Public Works	10
2.4 Functions of the former department of Roads and Transport	11
2.5 Common Elements of the Merged Departments	13
2.6 Delivery of Service Challenges (Roads, Transport and infrastructure)	15
2.7 Government Policy and Mandate on Delivery of Service	18
2.8 Effect of the Merger on Delivery of Service/Productivity	20
2.9 Departmental Merger Procedure	24
2.10 Merger Processes in Other Organisations	28
2.11 Learning from International Experience	31
2.12 Future and Development of Mergers	33
2.13 Research Questions	36
2.14 Conclusion	36
Chapter Three: Research methodology	38
3.1 Introduction	38
3.2 Research types	38
3.2.1 Quantitative & Qualitative	38
3.2.2 Research method (s) used in the thesis	41
3.2.3 Data Required	42
3.3 Data Collection Method	42
3.3.1 Methods for Collecting Primary Data	42

3.3.2	Questionnaires	43
3.3.3	Sampling Methods	45
3.3.4	Types of Variables	45
3.4	Ethical Consideration Pertaining to the Study	47
3.5	Limitations	48
3.6	Conclusion	48
	Chapter 4: Data Discussion	49
4.1	Introduction	49
4.2	Response Rate	50
4.3	Demographics	50
4.4	Results of Investigation	55
4.5	Measures of association	66
4.6	Conclusion	82
	Chapter Five: Conclusions and Recommendations	84
5.1	Introduction	84
5.2	Summary of the Study	84
5.3	Response to the Research Questions	85
5.4	Managerial Guidelines	90
5.5	Limitations	91
5.6	Future research	91
5.7	Conclusion	91
	BIBLIOGRAPHY	93
	Appendix A: Matrix	101
	Appendix B: Questionnaire construction	111
	Appendix C: Questionnaire	115



List of Tables

Table 3.1	Distinction between quantitative, qualitative and triangulation methodology	41
Table 3.2	Questionnaire Outline	44
Table 4.1	Service Delivery problems currently being experienced in Mafikeng	60
Table 4.2	Correlation	67

List of figures

Figure 4.1	Demographics	50
Figure 4.2	Job of respondent	51
Figure 4.3	Qualification of respondent	51
Figure 4.4	Gender	52
Figure 4.5	Age of the respondent	53
Figure 4.6	Citizenship	53
Figure 4.7	Place where they grew up	54
Figure 4.8	Years of service	55
Figure 4.9	Merger of the department implemented properly	56
Figure 4.10	Understand the objectives of the merger	56
Figure 4.11	Merger process and procedure made known to officially to you	57
Figure 4.12	Official attempt made to evaluate the outcomes of the merger communicated to you	58
Figure 4.13	Feel victimized by the merger situation suffering from shock, denial, anger or depression	59
Figure 4.14	Merger have the impact to allow the department to operate more effective and efficient	59
Figure 4.15	Merger harmonise abilities, strengths and change productivity of the newly formed department	61
Figure 4.16	Merger have a direct impact on the level of delivery of service	62
Figure 4.17	Functions of the newly formed department well aligned and defined	62
Figure 4.18	Functions overlapped in the new department	63
Figure 4.19	Merger make your future unsafe	64
Figure 4.20	Uncertainty caused by the merger affecting productivity	64
Figure 4.21	New department have the capacity to assimilate former employees of the departments	65

Chapter One

Overview of the Study

1.1 Introduction

The Public Works and the Roads and Transport Departments have merged as a result of the promulgation by Mr. Jacob Zuma, the President of the Republic of South Africa and the subsequent announcement by Member of Executive Committee (MEC) Mr. Mahlakeng Mahlakeng in the Provincial Budget Speech of 10 July 2009 of the Department of Public Works, Roads and Transport. The merger did not come as a shock to employees of the two Departments because it was not the first time that the two merged. The situation raises questions and concerns that can be put to the test for further investigation.

This study analyses the impact of merger of the Public Works and Roads & Transport Departments and its impact on delivery of service in Mafikeng. Focus will be on both the negative and the positive effects since the merger will involve the concerns and the impact it has on employees and their capability to render service to the public.

The literature used in this Chapter is derived from academic journals, articles, contemporary literatures and debates, government policies on the delivery of service to the public from the South African and the international perspective.

This Chapter includes an overview of the study and a description of the background of the study. This is followed by the problem statement. The research objectives of the study are expressed by showing the primary objective and the specific objectives of the study, addressing the purpose of the study. The rationale of the study is described followed by a section that looks at the key word used. The research design has been explained in three parts namely; research methods, sample design, analysis, and the data collection instruments. The geographical limit and parameters of the study have been detailed in the scope of the study proceeded by the layout of the entire research, ending with a conclusion.

1.2 Background to the Study

There have been speculation about the merger amongst staff; unfortunately nothing came forth from management to clarify the speculations. Officials often ask themselves whether the merger will improve service delivery, or result in job losses

as a result of duplication of some of the functions. Assurances have been made that no jobs will be lost; although it is obvious some officials will become redundant, especially in support functions. In one's view redundancy equals job loss. Some staff members are already asking for transfer to other Departments and some are considering resignation or the option of early retirement.

In the budget speech by the MEC the rationale to reconfigure the Departments was raised in order to improve delivery of service faster and cost effective. One seems to differ with that because since the merger, delivery of service in the former Department of Public Works went from better to worse. For three consecutive years, hitherto, the Department of Public Works received platinum awards and unqualified reports with regard to efficient services it rendered. On the other hand, the former Department of Transport and Roads received a disclaimer for the previous three years.

In the first quarter after the merger, it was announced that the Department of Transport and Roads had exhausted its budget. The budget for Public Works was still intact, but has to be shared by both Departments to ease the financial pressure that transpired in the other Department. This made it impossible to pay the suppliers. This resulted in the Premier of the North West Province instigation to put the merged Department of Public Works, Roads and Transport under financial administration supervised the Department of Finance. (Public Works, 2010). This was the result of mismanagement of state funds which lead to the suspension of three top managers. The decision to suspend the managers stems from the report by PriceWaterhouse Coopers, of 28 November 2009 that was instituted by the MEC to investigate the mismanagement of funds in the department (Public Works, 2010).

One's argument against the merger is due to the fact that both Departments render crucial services to the community i.e. roads, infrastructure and transport. These are core and complex functions that need special attention to ensure that the set objectives are met. Unfortunately most of the objectives will not be realized given the current situation. For example, the merger of the Departments has led to uncompleted projects such as abandoned roads works in the province.

1.3 Problem Statement

In recent years there has been a history of merging and splitting of the Department of Public Works and the Department of Roads and Transport. The first merger was

in 1994 and followed by the mergers in 1997, 2003 and the recent one in 2009. The reasons behind the mergers were to uncluster Departments of undertaking similar functions for the purpose of efficiency, improved service delivery, cost effectiveness and for the public to access services from one service point.

The merger hampered service delivery and made it impossible for the department to meet its objectives for the financial year 2009/2010. The former Department of Transport and Roads had already exhausted its budget by the time of the merger whereas the budget of the Department of Public Works was still intact with operations running smoothly. The situation led to the suspension of the Chief Financial officer, the Deputy Director General, and the consequent dismissal of the Chief Director. The Premier took a resolution to administer the funds of the Department of Public Works, Roads, and Transport from the central fund at the Department of Finance.

There is a lot of confusion and uncertainty amongst employees of the newly formed Department of Public Works, Roads and Transport since the process of the merger was not communicated, planned and implemented properly. This has resulted in members of staff of the former Departments continuing to work in isolation despite the merger. In addition, there is redundancy of staff, duplication of functions and staff morale is low.

The newly formed Department faces the following problems due to the absence of structural cooperation and coordination;

- Duplication of functions
- Redundant staff
- Uncertainty amongst employees
- Poor service delivery
- Poor communication
- Low staff morale

1.4 Research Objectives

The primary aim of this study seeks to look at the impact of the merger on service delivery in the newly formed Department of Public Works, Roads, and Transport. The study will also determine the procedure that needs to be followed when dealing with issues of merger. The process of merger is a sensitive issue because

it deals with people emotions and raising the need to be tactful when dealing with such an undertaking.

- To identify problems encountered in the process of merger
- To determine the process of merger
- To measure the impact of merger in service delivery
- To compare merger process in other organizations

1.5 Rationale of the Study

The significance of the study is that it will improve the process of merging in the Provincial Department of Public Works, Roads and Transport in the North West Province in Mafikeng. Employees of the newly formed Department of Public Works, Roads and Transport will have a clear understanding of the reasons behind the merger. The study will eliminate the uncertain ties and negative attitudes amongst employees. The study will create a conducive environment that will facilitate efficient and effective service delivery to the community. The internal and external clients will access services at one central point with ease and save a lot in travelling costs. Government will use the study as a model to deal with mergers in the future.

1.6 Key Words

Mafikeng; Public service; Public works, roads and transport; Change management; Merger; Staff uncertainty; Infrastructure; Service delivery; Staff redundant; and Government policy.

1.7 Research design

The section will explain how the data will be collected, analyzed and the type of study undertaken. The research design is regarded as a blueprint for the conduct of a research that maximizes control over factors that could interfere with the study's desired outcome (Burns & Grove 1997: 49). The diagnostic evaluation will be undertaken to identify neglected areas of need, neglected target groups, and problems within organizations and programmes. Research design provides glue that holds the research together and it is used to structure the research.

Stratified random sampling will be used. Stratified random sampling is used in situations where the researcher knows some of the variables that are significant in the population to achieve representativeness (Burns & Grove 1997: 299). Random

sampling is used by researchers to estimate the accuracy of answers provided. It provides greater precision and often requires a smaller sample that saves money.

The units of analysis used are individuals, groups and the merged Department of Public Works, Roads & Transport of the North West Province. The sample units will be randomly selected from each stratum. The sampling technique to be used will be a proportionate random stratified sample. Using a simple random sampling in each stratum, each employee in the stratum has an equal chance to be selected into the sample, as such making the sample representative of the population. The consideration of the employee's demographics within a particular work place, therefore it would be ideal to use a random stratified sample proportional to the designation of the target population (Bless & Higson-Smith, 1995). The target population will be 450 employees of Department of Public Works, Roads & Transport of the North West Province and a sample will be derived from it. A sample of 210 will be used to conduct the study.

Data will be analyzed by means of tables, charts, graphs and inferential statistics. Statistical analysis will be conducted during the study and conclusions and recommendation will be made thereafter (Bless & Higson-Smith, 1995: 125-126) and (Welman & Kruger, 1999: 45-66).

Self-administered questionnaires will be used to collect the primary data for quantitative analysis. Questionnaire will be distributed to all levels within the Department to collect information to find out the impact of the merger on affected staff members and its impact on service delivery. The collection of the primary data will be by means of the questionnaire to the workforce who is directly concerned by the merger of the Departments and its impact on delivery of service. Secondary data gathering will be conducted by reading relevant literature including professional magazines, newspapers, journals, legislation, dissertations and by listening to specialist interviews from the television and radio stations.

1.8 Scope of Study

The study focuses on Public Works and Roads & Transport Departments merger and its impact on delivery of service in Mafikeng. The population of the study will comprise of members of senior management, managers, supervisors, and subordinates of the merged Department of Public Works, Roads & Transport.

1.9 Layout of the study

Chapter 1 gives the reader a general understanding with regards to the primary importance of the study giving an introduction to the background of the study, research problem, the research objectives are determined.

The study will consist of the following order of chapters:

Chapter 2 reflects the literature review for the study. The literatures that will be used will be related to the current topic. Other literature from previous studies conducted based on public service Department mergers and its impact on service delivery will also be used.

Chapter 3 outlines the research methodology followed in the study, with the necessary rationale, the research design and analysis followed in the current study. The aspects to be covered are research design, sampling, measuring instrument and data analysis.

The response rate is dealt with in Chapter 4 and the results of the study are presented and interpreted in relation to the objectives of the research, which were spelled out in Chapter 1. In Chapter 5 the outcome of the study is discussed, conclusions are drawn and recommendations are made to remedy and corrective measures of the research problem.

1.10 Conclusion

In this Chapter, the reader is introduced to the background of the problem in general terms and detailed statement of the problem is given. Four objectives of the study are articulated, research design is dealt with, the research design is exploratory and mainly quantitative that is indicating the methods sampling technique and the targeted population that will be used to conduct the study. The structured self administered questionnaire method will be an instrument to collect data.

The process of merger was not consultative as a result it raised uncertainty, negative perceptions and resistance amongst employees of former Department of Public Works and the Department of Roads and Transport. The observation about the merger is that employees are not against the merger but that careful consideration needs to be

given particularly to personal matters and that staff fears will have to be addressed in the process to ensure effective merging (Public Works, 2010). There are Change Management Models that could be used for example; ADKAR (Awareness-Desire-Ability-Reinforcement) that has the ability to identify why changes are not working and help you take the necessary steps to make the change successful.

In Chapter Two a literature review shall be made to place the research problem in the context of the theoretical background of public service Department mergers and its impact on delivery of service. The exhibition of available studies on mergers that are focusing on service delivery will be reflected. Highlights of existing studies on organisation mergers and areas of the subject which hitherto have been neglected will be included in the Chapter.



Chapter Two

Literature Review

2.1 Introduction

There is growing need for improved service delivery in terms of housing and infrastructure in South Africa (Thwala, 2005). This has been mandated on government departments such as the recently merged Public Works, roads and Transport department. There however has been a decline in the performance of the mandate placed on such department (Nordengen & Nell, 2005). The rationale to reconfigure the departments under Public Works, Roads and Transport was in order to improve delivery of service faster and cost effective. Mergers have become important to allow organization to operate more effective and efficient through synergy (Henningsson & Carlsson, 2007).

Mergers often bring about concomitant stress factors brought about by the change. Mergers create particular new challenges (Carretta, *et al.*, 2007). Proper handling of strategy and staff is important during mergers (Muller, 2006). This entails proper integration and synergies (Rust, 2009). Failure to achieve proper execution of a merger will lead to failure of the desired objective of the envisaged merger (Carretta, *et al.*, 2007). The literature discussed in this chapter therefore looks at the effect of the Public Works and Roads & Transport Departments merger and its Impact on delivery of service in Mafikeng.

The Key words used for search of literature are Mafikeng; Pubic works, roads and transport; Change management; Merger; Staff uncertainty; Infrastructure; Service delivery; Staff redundant; Public service, and Government policy. Search engines used included Google scholar, Emerald and Business Source Complete.

The layout of the chapter starts with a looks at the definition of concepts and key words. This is followed by sections that look at specific functions of the department of Public Works and the department of Roads and Transport. The common elements of the merged departments are discussed followed by a section that looks at delivery of service challenges with specific reference to roads, transport and infrastructure. Government policy and mandate on delivery of

service is discussed followed by a section that looks at the effect of the merger on delivery of service and productivity. Merger procedures are discussed under two separate sections that look at merger processes followed in the department and merger processes in other organization. The literature review ends with a look at international experience and the future and development of mergers. A conclusion detailing a summary of the literature studied and a brief inference drawn from the literature has been given.

2.2 Definition of Concepts and Key Words

It is important to define terminology in research as this discharges confusion and gives better understanding, for both those who are new to the subject and those who are familiar with the subject.

Mergers; Mergers occur when independent parties combine their operations into one new entity. Such combinations can refer to the merging of two more or less equal parties (De Man & Duysters, 2003).

Infrastructure; Economic infrastructure is infrastructure that promotes economic activity, including roads, electrical lines and water pipes. Social infrastructure promotes health, educational and cultural standards of the population, which include schools, clinics, parks and statues (DBSA 1998:4 as *cited* in Fourie, 2006).

Change management: according to Baca (2005:4) is referred to as an overarching system or a tool that is used to manage change. There are three vital elements to change management i.e. the authority level of the project manager, setting an environment that encourages good change management, setting up a system that determines that a system has been requested. Change management is about recognizing the necessity to change and establish an efficient and effective response to it (Baca, 2005).

Public services: public services is a term usually used to describe services provided by government to its citizens, either directly (through the public sector) or by financing private provision of services. The term is associated with a social consensus (usually expressed through democratic elections) that certain services should be available to all, regardless of income. Even where public services are neither publicly provided nor publicly financed, for social and political reasons they are usually subject to regulation going beyond that applying to most economic sectors (Public Works, 2010).

The following sections look at the functions of the former department of public Works and the function of the former department of Roads and Transport. It is important to understand the functions of the departments separately in order to derive the synergy that is intended through the merger.

2.3 Functions of the former Department of Public Woks

Unemployment and poverty are major problems in South Africa. In response to these problems, a National Public Works Programme (NPWP), managed under the department of Public works, was established in 1994. The objectives of the program are to (1) create, rehabilitate, and maintain physical assets that meet the basic needs of the poor and promote broader economic activity, (2) reduce unemployment through the creation of productive jobs, (3) educate and train those on the program as a means of "economic empowerment," and build the capacity of communities to manage their own affairs (NEF, 1994, as *cited* in Haddad, & Adato, 2001). In the developing world, most best-practice national strategies to reduce poverty include workfare programs (World Bank 2000).

The importance of public works programmes cannot be overlooked. The South African economy is unable to deliver employment for a growing number of would-be workers, especially among the unskilled. There is a need for state intervention to address this failure, and public works have been identified in the national policy discourse as a central policy response, to address both the problem of unemployment, and also a range of social development and economic objectives (McCord, 2004).

Thwala (2005) explains that public works has a long history in the industrialised countries as an economic-policy tool. Public works can be used both as a fiscal measure to expand or contract public spending in periods of unbalanced domestic demand as well as a short-term measure to alleviate unemployment. Public works have formed important components of special job-creation schemes launched by many industrialized countries in response to either economic recession or rising unemployment among youth (Thwala, 2005). Expanded Public Works Programme (EPWP), undertaken by the department of Public works, has featured prominently in government policy. The governments revealed a public works jobs plan to help eradicate poverty and take the country to a new level of economic development. (Cape Times, 2003 as *cited* in McCord,

2004). The EPWP is one of government's strategies aimed at addressing unemployment. The essential strategies are to augment economic growth so that the number of net new jobs being created starts to exceed the number of new entrants into the labour market, and to improve the education system such that the workforce is able to take up the largely skilled work opportunities which economic growth will generate. This has generated a need to put in place short-to medium-term strategies. The EPWP formed one of government's short-to medium-term strategies (Department of Public Works, 2003).

According to Phillips the anticipated outcomes of the EPWP are among other things the provision of public services. Other outcomes are a temporary increase in incomes, increased dignity and reduced alienation among workers, workplace experience and making a modest contribution to increasing skills levels (Phillips, 2004). In South Africa there is an urgent need for housing and municipal infrastructure (water supply, sewerage, streets, storm water drainage, electricity, refuse collection). The need for physical infrastructure applies to both urban and rural areas. According to the World Bank (1994: 2) infrastructure can deliver major benefits in economic growth, poverty alleviation, and environmental sustainability (Thwala, 2005).

The section reveals that the primary functions of the former department of Public Works were twofold. The first functions being the eradication of unemployment and empowering of the unemployed whilst the other being the provision of infrastructure support for the economic growth of the country. The next section looks at the functions of the former department of Roads and Transport.

2.4 Functions of the former Department of Roads and Transport

Ozment (2002) observes inadequate transportation limits a nation's ability to utilize its natural resources, distribute food and other finished goods, and integrate the manufacturing and agricultural sectors, and supply education and medical services. A new development mandated under the former department of Roads and Transport is the importance of public transport operational performance (Vanderschren & Cloet, 2006). While this can be expensive for the government, there has been a shift of government policy in favour of public transport such as rail road. Public transport investment can be assessed using a range of criteria. These include capacity, cost and environmental damage. Rail is by far most expensive in

terms of capital investment. This declines as patronage increases. As the passenger volume increases the cost per passenger significantly declines, which justifies government investment public transport (Mistro & Roodt, 2001).

Currently public transport in South Africa faces a lot of problems (Vanderschren & Cloet, 2006). The primary aim of the former department of Roads and Transport was to attend to the construction, maintenance and rehabilitation of roads in the country. The other function extended to that of regulations of transport in the economy. Transportation contributes to economic development (Ozment, 2002).

The importance of transport in an economy cannot be overstated, though this can be hampered by the impact of limited resources. Industry, agriculture, education, and health all are vital to economic growth, and they all compete with transportation for a share of a nation's limited resources. It is important to develop transportation systems which are efficient and make the most of the resources required to develop them, avoiding the consumption of disproportionate amounts (Ozment, 2002).

Benmaamar (2006) makes a similar observation noting the competition of limited resources is the provision and maintenance of roads. Roads have to compete for their preservation for funds against other more visible and popular sectors like health, education or law and order and this usually places them at a considerable disadvantage in the annual budget debate (Benmaamar, 2006). The Provincial Government Western Cape identifies the need to rationalize on resources in the roads and transport department through the use of management systems aimed to motivate the allocation of limited available funds to rehabilitation projects where most needed and to projects where the long-term benefit would be the most cost effective (Nordengen & Nell, 2005). The importance of transport and transport infrastructure has also been noted by Rust (2009) stating that transport and transport infrastructure plays a significant role in both economic and social development (Rust, 2009).

In a developing country such as South Africa public roads and transport is characterized by a number of peculiarities that are generally absent when compared to the roads and public transport systems in first world countries (Walter, 2010). Regardless of the significance attached to roads and transportation, evidence suggests a decline in the performance of the mandate placed on the public service departments. Little attention is given to the overall condition of

infrastructure in most of the provinces, requiring corrective work and/or safety-related improvements. Nordengen and Nell (2005) further observe that there has been a decline in quality of works. Although significant emphasis is placed on quality, not all rehabilitations of roads and bridges have been above board (Nordengen & Nell, 2005). The use of public transport in South Africa can be compared to that of industrialized countries like the United State of America. Increased motorization and the resulting traffic congestion have led policymakers to adopt strategies intended to attract personal vehicle drivers to public transport and to increase dependence on public transport. The United States is no different, having more than tripled expenditures on public transport since 1970. By the early 1980s, it had become clear that the desired results were not being achieved, as unit costs consumed most of the new funding (Cox & Duthion, 2001). The situation suggests desire of governments to implement cost effective public services.

The section highlights the importance of transportation to the economy, which enlightens the significance of having good infrastructure and road network that is well maintained. An ominous picture is elicited on the general failure of the former department to meet the mandate adequately. This could point to the need for radical changes such as the merger in order to streamline the scarce national resources. The following section looks at the common features of the two former departments placing prominence on the synergy of the merger.



2.5 Common Elements of the Merged Departments

Research on merger may be divided into three broad views (Risberg, 2003 as *cited in* Henningsson & Carlsson, 2007). The first views identifies mergers as a tool for corporate strategy, the second addresses the issue of organizational compatibility and the third view studies events and activities during the merger process, with special attention being made to the process of integrating participating organizations (Henningsson & Carlsson, 2007). To achieve the balance of integration this section addresses the common elements of the merger. The concept of synergy is essential to understand the logical reasons why organizations engage in mergers or acquisitions. Synergy in this context is defined as what is occurring when two units can be run more than efficiently and/or more effectively together apart (Henningsson & Carlsson 2007).
Past institutional

practices influence current and future transformation initiatives (Dayaram, 2005). This entails the necessity of synergy at all cost.

Achieving synergy through integration in an instance such as this will lead to improved performance of the newly formed department thereby increasing improved maintenance of infrastructure. Recent investigations into the state of South Africa's infrastructure and related policy (SAICE 2006, Milford *et al.*, 2001 as *cited* in Rust, 2009) have indicated that, similarly to other countries, infrastructure in South Africa is not in good condition. In addition to the demand for environmentally friendly and sustainable solutions for transport problems, this places emphasis on the need for key solutions to address the upgrading and maintenance of transport infrastructure (Rust, 2009). Solutions include mergers for improved performance. Countries like Australia have used mergers for economic and political advantages. This emanates from the advantages associated with size for municipal governance. Reliance has been made local government amalgamation as the primary policy instrument for consolidating small councils into larger organizations (Dollery *et al.*, 2007).

Improvement of infrastructure has the benefit of improving economic growth. The relationship between infrastructure and economic growth appears to run in both directions. Inadequate investment in infrastructure could create bottlenecks, and opportunities for promoting economic growth could be missed. The need for investment in infrastructure never goes away. The maintenance and expansion of infrastructure are important dimensions of supporting economic activity in a growing economy such as South Africa. Expansion of infrastructure is important provided that individual projects are chosen on the basis of appropriate cost-benefit analyses (Perkins *et al.*, 2005). Thabo Mbeki in his State of the Nation Address of 2007 stated that the growth in the economy and growth of infrastructure needs to be supported effectively. At the core of maintaining structure sustainability are the two departments namely; public works, transport and roads (Mbeki, 2007).

Direct reference was made to public sector infrastructure spending and economic growth by the president of the Republic in the State of Nation Address of 2007. It was observed that at an average of over 4.5%, the rate of growth of the economy over the previous two and half years had been highest since 1994. Investment in the economy, by both the public and private sectors had been increasing at about

11%, with overall public sector infrastructure spending increasing by an annual average of 15.8%. Fixed investment as a percentage of Gross Domestic Product; at about 18.4% was highest since 1991 (Mbeki, 2007).

The issue of merging the two departments has a connotation entailing one or the other department taking over the other. Can this be interpreted as an acquisition in management terms? The word merger suggests a neutral combination of two objects while acquisition derives from the verb acquirer and its meaning of takeover. The situation dictates a merger, seeing as the two departments may be seen to have a similar objective, that of providing delivery of service (through improved infrastructure) to the public (Henningsson & Carlsson, 2007).

The common desire for the merger need not be underscored in South Africa. There is a widely acknowledged need for housing and municipal infrastructure (water supply, sewerage, streets, storm water drainage, electricity, refuse collection). The lack of infrastructure is a problem in both urban and rural areas. Infrastructure backlog is aggravated by the apparent lack of capacity and skills at institutional, community and individual levels. The World Bank stresses the importance towards infrastructure development as a way to deliver major benefits in economic growth, poverty alleviation, and environmental sustainability. This can only be achieved through the provision of efficient services that respond to effective demand by relevant institutions (Thwala, 2006).

The section addresses the common element between the previously independent departments, underlying the common objective. Dissemination of efficient and effective delivery of service through provision and maintenance of infrastructure for economic growth lies at the core of the new department. To achieve this, synergy is vital. This next chapter looks at delivery of service challenges. The next section looks at the challenges faced in terms of delivery of service with the intention of relating the mandate of the department to the challenges faced.

2.6 Delivery of Service Challenges (Roads, Transport and Infrastructure)

Public sector investment in infrastructure such as roads, transport and housing, has a positive impact on economic growth because it prompts and fuels related private sector investments, and it contributes to poverty eradication by providing

the basis for social development (Swilling, 2006). The provincial governments have the responsibility of making sure that there is good financial management as well as efficiency in the service delivery, especially in the provision of social services through the use of limited resources that they have at their disposal (National Treasury, 2006).

Most developing countries do not have access to basic human necessities such as adequate food, clean water, health services and education. The Provincial Government is to ensure that the majority of the citizens in their jurisdictions have access to these services (Franciscan Youth International, 2004). The public sector in South Africa has suffered financially with a decline in the delivery of service standard since 1994. Among the various reasons for the decline include the absence of financial and performance management systems and procedures. There is a strong perception amongst the people of South Africa that there is room for improvement in the delivery of social services in the country (Statssa, 2007).

The South African economy is characterized by high levels poor availability of social infrastructure and huge service delivery backlogs (Statssa, 2007). This raises a question as to whether provincial governments an asset or a hindrance to social service delivery (Kihato & Rapoo, 2001). Provincial Governments in South Africa are faced with increasing demands as well as higher expectations from the community for an efficient provision of social services. The major problem related to the public sector has been ineptitude in the utilization of the existing resources rather than availability of these resources (Franciscan Youth International, 2004).

Fourie (2006) observes how difficult it has become for the government to provide public services at a reasonable cost. South African government may be losing the battle to in the delivery of service, particularly in the provision of houses for its people (Wilson, 2006). This has been exasperated by the migrating of people from rural areas to cities and expansion of residential areas further away from city centers. The migration trend has put a strain that inhibits the provision of public services at par with the growth of the cities, resulting in some individuals ending up without basic public services or at the brunt of bad service delivery (Fourie, 2006). The burden is also made worse by the acute the lack of public sector capacity, especially in terms of administrative and technical skills (Dollery *et al.* 2005). Other problems include the weak financial compliance management (Dollery & Graves,

2008) and chronic funding shortages (Bahl & Smoke 2003). Problems also exist at higher tiers of government in South Africa (Dollery & Snowball 2003). In essence, the problem of public sector incapacity seems to derive mainly from a lack of skilled human resources in the South African public sector to perform its newly expanded responsibilities.

Infrastructure and services such as public transport is characterized by a lack of adequate financial resources in developing countries. Though this may also be an issue if concern other country, it is intensified in the developing world. The demands of affordable housing, education, and health services are just so great that it limits the amounts that the fiscus can set aside for public transport development and support. This gives rise to issues such as a lack of sufficient capital investments to reinstate rolling stock, lack of integrated transport planning or absence of a firm commitment to public transport (Walter, 2010).

A World Bank Report (2003) highlights the limitation in terms of domestic and external resources required to deal with delivery of service in African countries. It further states that despite the availability of resources, often public services are failing, for several reasons (World Bank, 2003). Achieving the Millennium Development Goals in African countries will thus require a quantum leap with regards access and the provision of quality of services. Accelerating progress requires increased resources and, more importantly, more effective use of external finance and domestic public resources (Gauthier, & Reinikka, 2007).

The growth of infrastructure development in South Africa was initially restricted to the coastal areas until the discovery, first, of diamonds in the Kimberley-region (1867) and, later, the discovery of gold on the Witwatersrand (1886). The twentieth century also brought vast improvements in the development of infrastructure (Fourie, 2006). South Africa has launched an initiative aimed at improving public infrastructure like public transport in the country. The process is expected to take place over an extended period of about 10-15 years to reach its final stage. In the transport sector, one of the major challenges will be to integrate the respective modes via integrated transport plans and to render flawless public transport services across all transport areas (Walter, 2010).

The president of the Republic of South Africa in his 2007 State of the Nation Address emphasized the need of improved infrastructure to include a comprehensive passenger transport strategy, combining both road and rail.

The president reaffirmed the commitment of attending to the urgent implementation of programmes aimed at improving the quality of life of especially the working people. Access to electricity, water and sanitation has improved. By 2005, South Africa had already achieved the Millennium Development Goal in respect of basic water supply, (Mbeki, 2007).

The section looked at the importance of development of infrastructure by the public sector. The difficulty faced by government to provide public services at a reasonable cost was also highlighted. The following section looks at government policy and mandate on delivery of service to the public. This will elicit government's commitment to fulfil its obligation with regard to delivery of service through its public organ.

2.7 Government Policy and Mandate on Delivery of Service

Policy in South Africa places emphasis on the promotion of public services such as public transport (Vanderschuren & Cloete, 2006). South Africa has experienced immense changes in the post-apartheid era and coordinated local public policy has sought to expand and improve the level of basic services provided to disadvantaged people (Westhuizen & Dollery, 2009). An important measure consisted of the 1994 Reconstruction and Development Programme (RDP), was to coordinate the efforts of central, provincial and local governments into an integrated national whole (Lester *et al.*, 2000).

The Public Service Act in 1994 was an Act for integrating the fragmented system of state administration into a cohesive national public service for the benefit of enhanced delivery of service by the public sector (South African Government Information, 2007). Under the Act, the government committed itself to continually improve the lives of its citizens. It aimed to achieve this through a transformed public service which is representative, rational, transparent, efficient, effective, accountable and responsive to the needs of all the people of South Africa. This vision was backed by the government's national unity's mission of creating a people centered and people driven public service characterized by equity, quality, timeousness and a strong code of ethics service (South African Government Information, 2007). The White Paper on Local Government (Republic of South Africa 1998, 17) held that government must co-operate with local communities to find sustainable ways

to meet their needs and improve the quality of their lives. Policies have been instituted in South Africa, under the concept of 'developmental local government' acknowledging that the government should expand from its traditional narrow concentration on 'services to property' to embrace local economic development and local economic growth as well as the conditions that stimulate these elements of national development (Nel & Binns 2002).

The White Paper on Local Government (Republic of South Africa 1998) set out four key aims for developmental local government under the public sector. These include the provision of a basic level of household services and infrastructure, particularly electricity, sewerage and water, to households without these services. Secondly, public sector should seek to restructure the spatial legacy of apartheid separation through the integration of previously segregated urban areas. Thirdly, local economic development should be stimulated through economic growth and local job creation. Finally, community empowerment and redistribution should be addressed.

The South African Government took an initiative to ascend economic infrastructure investment. This was seen as an important policy shift and in line with the aim of government to increase economic growth to 6% and halving poverty by 2014 (Fourie, 2005). Building the developmental state is now official government policy, and with this comes an interventionism across the board that is premised on the assumption that greater state control in matters such as public services and infrastructure means greater success for the country (Swilling, 2006).

Fourie (2006) points out policy proposals that include three main areas namely; the provision of basic infrastructure to all, improves the quality of existing infrastructure, and provide transnational infrastructure. Lack of institutional and managerial capacity at the local level seems to be a constraint on delivering basic infrastructure services. The country's infrastructure quality lags those of other countries (Fourie, 2006). Deliberate policy in South Africa has been put in place to increase the process of tackling most of these issues. There is now a general realization that public services have a significant role to play in enhancing urban development. For instance public transport has the ability of improving mobility, reducing road congestion, decreasing the impact on the environment through harmful emissions and better serving the economy (Walter, 2010).

Developing countries such as South Africa are now frequently resorting to policies aimed at one or more purposes of using Public works as an important component for special job-creation schemes. This has been policy launched by many industrialized countries in response to either economic recession or rising unemployment among youth. In contrast to their short-term, anti-cyclical role in industrialized countries, labour-intensive public works programs have acquired far more significance in economic urban renewal and development (Thwala, 2006).

The section looked at the emphasis policy in South Africa for the promotion of public services in order to improve the provision of basic infrastructure in areas of transport and public works. The following sections investigate specific matters dealing with mergers. The immediate section will deal with the effect of the merger on delivery of service and productivity.

2.8 Effect of the Merger on Delivery of Service /Productivity

Ongoing public sector reform, such as mergers in the public sector, has led increasing sophisticated attempts to measure the effects of reform programs. This has given rise to a growing theoretical and empirical literature on local government efficiency measurement (Worthington & Dollery 2000). Economic efficiency has various dimensions, including allocative efficiency, productive efficiency, dynamic efficiency, scale efficiency and scope efficiency. Technical or productive efficiency refers to the use of resources in the technologically most efficient manner in order to obtain the maximum possible output(s) from a given set of inputs. When productive efficiency is determined in monetary terms, it is sometimes known as cost efficiency (Westhuizen & Dollery, 2009).

Merger activity continues to rise, including mergers in the public sector, despite evidence that the majority of mergers fail to meet the financial and synergistic expectations of stakeholders. Reasons for the failure or disappointing merger outcomes include among other things post-merger cultural clashes (Bligh, 2006). Mergers are widely studied by researchers from a variety of fields and are well understood to yield significantly lower results than originally promised (Fendt, 2005).

Parties to a merger with harmonizing abilities can combine their specific strengths and enhance productivity that each party on its own would not have been able to create (Gerpott, 1995 as *cited* in De Man & Duysters, 2003).

There are two effects that may be realized through such mergers. Harmonized merger will improve productivity in a manner which would not have been possible without the collaboration or the attainment of improvements at a faster pace. The other effect can show where departments or companies employ different innovation management techniques. The failure rate of mergers in general is high. Even when the merger is successful the merger may not be a success, prompting a disintegration of the company or organizations involved in the merger (De Man & Duysters, 2003). The failure of intended merger objectives in the public sector has the propensity of affecting delivery of service.

No systematic official attempt has been made to evaluate the outcomes of amalgamation programs such as mergers, despite confident and often detailed pre-consolidation forecasts by state government politicians of substantial savings derived from enhanced efficiency. A pessimistic view of this neglect might suggest that policy makers fear that cost savings have not eventuated and thus deliberately avoid a public review that would demonstrate the counter-productive effects of amalgamation or mergers (Dollery *et al.*, 2007). Mergers are characterized by emotions, fears of losing jobs, having to move locations, changes to conditions of service that might be unfavourable (Kilfoil, & Groenewald, 2005). In contrast, Gumport, (2000) observes that low organizational commitment and demotivation do not necessarily lead to resignation due to academics' professional commitment to their work (Gumport, 2000).

Mergers should not be perceived as an occasion but a process, in order to be successful. It is important to understand how such processes unfold and the affiliated stress factors that are brought about by the change. During a merger, staff can feel overstretched and overburdened (Muller, 2006). The human emotional and behavioural matters form part of the three essential essentials required for successful change in a merger. Strategy and execution of the merger are also vital elements. The sensitivity to these different elements required goes beyond that of other change situations. Change management in merger situations is a quantum leap away from managing a new production project or changing systems within an organization. It is thus important to understand that in mergers, scale and complexity are the dominant factors while time may not be a significant

concern (Thwala, 2006). Duck (2001) makes two important points about change in mergers:

- For a change initiative to succeed, the emotional and behavioral aspects must be addressed as thoroughly as the operational issues
- Change unfolds in a reasonably predictable and manageable series of dynamic phases, known as the Change Curve

Anderson and Anderson (2004: 1) observe that transforming is a very uncertain and unpredictable process that requires a new leadership approach:

1. the outcome is unknown at the start and must be figured out as you proceed;
2. this 'figuring it out' process requires constant course correction;
3. this journey is only semi-controllable and largely erratic; and,
4. given the magnitude of uncertainty, people get mentally and emotionally triggered with feelings of fear, anger, and confusion

In many cases the change that occurs as a result of a merger is imposed on the leaders and it is often the rate of change that hampers the successful re-engineering of the culture. In this respect, the success of any merger hinges on individual perceptions about the manner in which the process is handled and the direction in which the culture is moved (Kavanagh, & Ashkanasy, 2006). Research has shown that restructuring, brought about by mergers, in an organization causes uncertainty and anxiety among employees (Clark & Koonce, 1995; Robbins, 1998 as *cited* in Arnolds, 2005). This uncertainty and anxiety often result in overt and covert resistance to the changes brought about by the restructuring (Hellriegel *et al.*, 2001 as *cited* in Arnolds, 2005). Overt resistance to change manifests in reduced productivity. Other effects on productivity may include strikes, inferior work and even sabotage. Covert resistance may result in reduced productivity often expressed by increased tardiness and absenteeism, requests for transfers, resignations, loss of motivation, lower morale and higher levels of accidents and work errors (Arnolds, 2005).

People within the merger process are ultimately expected to drive the success of a change program. Despite the initiatives for transformation, it is understood that whilst the policy makers may set the agenda for change, the successful

implementation of the process rests on the people within the merging organizations (Dackert *et al.*, 2003). Individuals and groups functioning within these institutions own the culture. Therefore, organizational culture can be viewed either as a powerful support or a more compelling obstacle for organizational change (Dackert *et al.*, 2003).

The human factor and culture in mergers are further affirmed by Coffey *et al.* (2002) who observe that underlying all the structural and procedural issues of a merger is the human factor and elements such as entrenched interests or conflict of interests; fear of change or comfort zone and well learned skills; perceptions of unfairness; fear of losing benefits of current position; additional responsibility and more time and energy needed; possible retrenchment; tools needed to accomplish change not provided. This is bound to lead to stress among employees (Duck, 2001). The people and 'soft' issues are what can make the difference between success and failure of any merger. Coffey, *et al* (2002) state that during a merger, managers who are under severe stress may not be able to deal with issues related to the merger. A significant challenge is that employees' concerns rise rather than fall when managers are unable to handle implementation issues because of their own stress levels (Coffey *et al.*, 2002).

Applebaum *et al* (2001: 3) as *cited* in Pollack (2003), maintain that in a merger employees are the victims of the situation. There are many natural emotional reactions to change, which can follow a predictable pattern such as shock, denial, anger, bargaining, depression, testing, and acceptance (Pollack, 2003: 16). Demers *et al.* (2003) agrees that communication is crucial in a merger and emphasize the need to send the proper messages to employees. Communication is seen as fundamental from the beginning of the merger process (Demers, *et al.*, 2003). Attention to human issues, good communication and speedy resolution of issues can reduce stress (Kilfoil, & Groenewald, 2005).

Besides communication, another important factor to a useful merger that will not hamper productivity is integration. In any merger the quicker managers integrate their parties the faster they are able to achieve the expected synergies. Managers face an overwhelming list of responsibilities, such as managing people, financial aspects, justifying the strategy to stakeholders, negotiating with regulatory authorities, and ensuring compliance with the regulations that come into force once

a deal is announced. This is often managed without access to legally restricted data (Rust, 2009).

Marshall (1999: 13) as *cited* in Kilfoil, and Groenewald, (2005) suggests that if people are aligned in a common strategic direction then all will move faster. Sometimes it can be difficult to align all people and departments with a strategic vision and mission (Kilfoil & Groenewald, 2005). Transformation is dependent on the shared values, attitudes and behaviour of people within the merging institutions (Balestracci, 2003 as *cited* in Alas & Vadi 2004). Variables which are necessary for change are embedded in organizational cultures, which impact on aspects like equity and redressing imbalances in the workplace (Crain, 2000 as *cited* in Dayaram, 2005). Strategic institutional leadership, strong government and staff participation are among the factors that are essential to successful mergers among institutions. Mergers already under way in South Africa do not show clear efficiency or financial gains, nor have they achieved greater strategic or cultural equity among (Macfarlane, 2002).

McShane and Travaglione (2005) argue that the original source of an organization's culture usually reflects the vision or mission of the merging organizations (McShane, & Travaglione, 2005). The strategic vision may exhibit biases or establish the early culture by projecting an image of what the merged organization should be (Robbins *et al.*, 2003). Against the backdrop of the challenges, given that each organization involved in a merger was administered under a certain policy and the institutional capacity varied, has the propensity of complications that cultures organizational pose on the merger and thus on productivity (Robbins *et al.*, 2003).

The section looked at the effect that can ensue from failed mergers pertaining to productivity and ultimately delivery of service. Aspects attributed to failure in mergers include cultural clashes, human factor linked to change management and organisational strategy. The following section examines departmental merger procedure followed.

2.9 Departmental Merger Procedure

Communication is critical when trying to get people to see and do things differently. Formal communication focuses on telling people what to do, which involves

handing out assignments and required actions. People need to understand the thinking that went into pertinent decisions that will affect them (Kilfoil, & Groenewald, 2005). The merger procedure followed in the department of Public Works, Roads and Transport has lacked this where speculation has been rife amongst staff. Nothing was forthcoming from management to clarify the speculations.

Pollack, (2003) contends the importance of explaining the corporate culture of organizations involved in a merger. This is considered as the set of values and decisions that drive individuals' behaviors within organizations. Cultural clashes could determine conflicts and negative effects, on the timing and the effectiveness of the post-merger integration process. Cultural clashes can also have an impact on motivation and turnover of individuals (Pollack, 2003). The negative impact of the merger is evident in the department since employees in the former departments of Public Works and Roads and Transport have not been placed effectively. The situation promotes redundancy and increased absenteeism and makes it difficult for managers to manage efficiently.

Hirsh (1998) state that mergers create particular new challenges for managers and the need to be developed specific skills to handle larger and more complex roles (Devine & Hirsh, 1998:39). Distinctive skills required of a manager include technical skills (the ability to apply specialized knowledge or expertise), human skills (the ability to work with, understand, and motivate other people, both individually and in groups) and conceptual skills (the mental ability to analyze and diagnose complex situations (Muller, 2006). It is vital to retain key systems, unique business and technical expertise (Devine & Hirsh, 1998: 41). The ability to build new teams is important as the functional teams for the new organization to take shape. The role of senior managers should include team building and to encourage some types of outcome and to discourage others (Muller, 2006). The prerequisite skills for managers required during the handling of the merger of the department were not present.

Policy change on merger should be driven by the need to build institutional strength via the development of human resources, building economies of scale and a redistribution of resources between previously advantaged and disadvantaged institutions (Department of Education 1997, 2001 as cited in Dayaram, 2005). The configuration of the Department of Public Works, Roads and Transport, was

informed by the new administration's quest to deliver services to the people better, faster and cost effectively because it is perceived that the two department's functions are closely related (Public Works, 2010).

Assumption of failure of merger operations does not depend only on errors made before the deal, concerning strategic and organizational analysis, but rather on the procedures for the implementation of the various phases that follow the conclusion of the operation, as well as the capacity of management in dealing with the complexity of the operation and with the problems of integration. An especially important problem is the presence of areas of conflict between the cultures of the different firms, which can constitute one of the main causes of failure (Carretta, *et al.*, 2007). The root cause of the challenges experienced in the implementation of the merger is due to lack of proper communication of the intended merger from senior managers to employees of the department.

Managers need to understand the various phases of change to be able to prepare for what is generally expected in each phase and the characteristic responses from staff during a merger. Devine and Hirsh (1998) as *cited* in Muller (2006) identify four stages in change. Devine and Hirsh (2001:17-19) give key characteristics and responses by employees of each of these phases involved in a merger as follows:

- a) run-up: intense pressure, uncertainty, strong anxiety/paranoia, loss of direction and focus
- b) immediate transitional change: work pressure, fear and anxiety re job losses, heightened responses, preoccupation with new appointments
- c) integrative stage: sense of pressure, preoccupation with and working through differences, cultural, sensitivity
- d) closure: relief and achievement, letting go of the past. If there is no closure, the possibility exists for lingering resentment, unwillingness to let go, introspection and uncertainty (Devine & Hirsh 2001:17-19)

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The current position in the department despite assurances of no jobs losses is that the merger will lead to redundancies in certain portfolio of positions, especially in support functions. It is assumed that redundancy will lead to job loss in the restricted department. Some staff members are already asking for transfer to other departments and some are considering resignation or the option of early retirement. Duck (2001) identifies five stages of a

merger and change brought about with it. The following description of each specifies the key activities and characteristics:

- a) The stagnation period is characterized by poor strategy, lack of leadership, too few resources, and/or outdated technology.
- b) The preparation stage starts when the decision to change is made. During this stage there is an amount of operational work to be done. The key characteristic displayed by employees is one of heightened emotions: they are anxious, nervous, optimistic, threatened, betrayed, excited, jockeying for position and/or defending their turf. If this preparation phase goes on for too long, it starts unraveling and could become a new form of stagnation.
- c) The implementation stage is characterized by people hedging bets and by a sense of unreality. Implementation is about defining and managing the implementation of new organizational structures, job definitions, and processes and interfaces.
- d) The determination phase is a time for reinforcement and is the phase where the fate of the change process is determined. The results of all the cumulative efforts should be evident in this phase. Fatigue sets in. It is tiring, for managers and employees, to be continually rethinking one's daily work as well as changing ways of operating. This phase is where working out how to make the new vision a reality happens.
- e) Fruition is the time to acknowledge that hard work is paying off, to recognize achievements and to share rewards. The two major opportunities to be grasped during this phase, according to Duck, are to cement trust and unity; and to embed the capabilities and attitudes that have produced successes (Duck, 2001:254). It is important that celebration and reward need to be managed as carefully and thoughtfully as any other aspect of change, as there is always the danger that celebration may turn into self-congratulations and complacency (Duck, 2001:256). Duck suggests capturing the learning to help the workforce internalize their experiences so that what has been learned and achieved during change is not lost.

The department is currently in the implementation stage. Various directorates had meetings and workshops to introduce each other and to input on the development of organizational structure and strategic plan of the department. It was clear that the two former departments operated differently in terms of some functions whereby directorates were clustered differently as opposed to the other. The challenge was to incorporate and establish new directorates for the placement of all employees.

The main challenge at the moment is inadequate budget allocation whereby directorates are unable to achieve the set objectives of the current financial year 2010/11. One believes that the challenge stems from the fact that the department does not have a Chief Financial Officer since being discharged off duties as a result of mismanagement of state funds (Department of Public Works, 2010).

The section looked at the merger procedure used in the department and its overall with regard to change and staff disposition. The following section looks at merger processes in other organizations with the aimed of making comparisons and drawing best practices.

2.10 Merger Processes in Other Organizations

In a bid to restructure government institutions for better delivery of service, lessons can be learnt on the model for which the South African government has opted in the restructuring of higher education. Generally the where two approaches considered;

1. the path of changing the manner of delivery and adopting new management strategies, such as privatization of services (Mok, 2003)
2. The second approach to the restructuring is consolidation, whereby previously separate institutions are integrated.

Two types of consolidations have been identified, namely the centralized model and the amalgamation or merger model. In the federal model, the consolidating institutions have kept their respective autonomy, while being managed by a central head office. In the merger model, the merging institutions have dissolved as separate institutions and united to become a new entity (Arnolds, 2005).

Policy change on merger in the education sector was driven by the need to build institutional strength via the development of human resources, building economies of scale and a redistribution of resources between previously advantaged and disadvantaged institutions (Department of Education 1997, 2001 as *cited* in Dayaram, 2005). Political decision can affect restructuring of government organs. As set out in The National Plan for Higher Education, the merger of the higher education between technikons and universities the result of educational imperatives were illuminated, but that does not appear to have been the case (South Africa, 2001: 75). The purpose was to overcome the racial fragmentation of the higher education system. In respect of distance education, the motivation was to create a single dedicated distance education institution able to maximize economies of scale and scope and take advantage of the rapid changes in information and communications technology (Kilfoil, & Groenewald, 2005). Kraak (2004) argues many reasons have been advanced for why it has been necessary for higher-education institutions to restructure, namely governments' diminishing ability to subsidize education, due to the restructuring of global capitalism and the emergence of neo-liberal macro-economics (Kraak, 2004).

Managing mergers is a daunting task as it may be with the department of Public Works, Roads and transport. Three main approaches to the problem of successfully carrying out merger operations can be identified to include industrial organization, financial economics, and strategic management. As a rule, studies that examine the key factors in the success of merger operations focus on the evolutionist paradigm adopting a primarily resource-based perspective while attempting to identify the superior contribution of certain managerial and organizational factors to merger operations whose economic results proved especially positive (Ferretti, 2000 as *cited* in Carretta *et al.*, 2007).

Establishing a clean team to support integration efforts before a deal closes can help speed up the completion of critical tasks and improve the chances of capturing the merger's synergies (Nicolas *et al.*, 2005). The failure to manage the process of cultural leadership will lead to poor performance of mergers. The process of cultural leadership as an important influence on merging organizational cultures and subcultures has been only sporadically examined (Bligh, 2006). This means that the potential success of the integration process depends less on the

degree of similarity of the outputs produced than on the compatibility of the structures to be merged. It can be measured by ease with which corporate culture and skills are integrated (Carretta *et al.*, 2007).

As in other intuitional mergers, scale and complexity are the dominant factors at the expense of managing change. When an institution is involved in massive, system-wide change, it does not allow for a quick win; when one needs to integrate the whole system, one does not always have the freedom to focus on the greatest need (Duck, 2001). Change management could have a significant impact on staff morale, either positive or negative. This would affect the pace and success of the merger (Kilfoil & Groenewald, 2005).

In other countries various negative consequences in the higher-education restructuring have been reported. These include:

- The managing of the restructuring process for personal gain rather than the interest of the new institution (Mildred, 2002);
- increases in costs due to travelling between sites and upgrading of services at different sites (Curri, 2002);
- the inability to exercise the promised wider choice of educational programmes due to the realities of multi-campus delivery and time-table constraints (Mildred, 2002);
- the rise of academic consumerism, which changes public higher education from knowledge-seeking institutions to business enterprises providing narrow offerings for different segments of the student population (Gumport, 2000);
- tensions (turf-fighting) in areas of academic specialization and overall organizational turmoil that nullifies the intended positive objectives of restructuring (Mildred, 2002);
- increased workloads of both academic and administrative staff (Mildred, 2002); and
- the polarization between the top management and the member institutions (Curri, 2002)

Effective management of peer relations could reduce negative attitudes towards a merger process. Initiatives by management to facilitate social interaction and work-related collaborations among the staff members of the merging institutions could therefore bear fruit in terms of building a new team spirit and even enhance organizational commitment. Monetary remuneration and relatedness to peers are not direct determinants of job performance, but rather indirect influencers of job performance via organizational commitment. This is an indication to management that professional employees do not view their monetary remuneration as payment for their performance, but rather as an indication of how their institutions value

them. Employee perceptions of how management projects their institutions' approval for their employees are vital during and after restructuring or merge (Arnolds, 2005).

In the private sector, mergers involving institutions such as banks, difficulty of governing a post-merger integration process, which generally requires good governance and management practices, significant experience and attention to cultural profiles and individuals' behavior will also impact on value creation and efficiency or effectiveness where improvements of merging institutions will appear disappointing and deprived from creating benefits for customers (Carretta *et al.*, 2007).

The section looked at the effect of mergers in government institutions, specifically in education sector. The need for proper merger procedures was highlighted and found important not only in mergers involving government institutions, but also in private institution such as banks. The following section looks at mergers from the international perspective and lessons that can be learnt.

2.11 Learning from International Experience

Reforms in the area of managerial efficiency focus on organizational restructuring and introduction of market or quasi-market principles in the delivery of services. The most comprehensive reforms in efficiency promotion are in OECD countries, with Australia, New Zealand and the United Kingdom as the lead reformers. Despite their importance in promoting development and other reforms, capacity-building reforms have not received the sustained attention they deserve (Bangura, 2000). Public sector management reform deals with issues of fiscal stability, managerial efficiency, capacity building and public accountability (Bangura & Nakamura, 1999).

Improving public sector efficiency is a major concern for governments all over the world. This means that the problem of improving the delivery of services is of top priority to all countries. Hence many governments take action by developing and implementing sound policies. All this requires clear and precise measures of efficiency (Thwala, 2006). Public works programs have a long history in industrialized countries as an economic-policy tool, both as a fiscal measure to expand or contract public spending in periods of unbalanced domestic demand as well as a short-term measure to alleviate

unemployment (Thwala, 2006). This has sought the strengthening of institutions responsible for initiatives such as public works and infrastructure development.

The restructuring of public service institutions, especially in higher-education institutions is not a uniquely South African phenomenon. The restructuring of higher education is a worldwide phenomenon, which is caused by major economic factors (Finkelstein, 2003). Universities and colleges of education have undergone restructuring in many other countries, such as Canada, Australia, Russia, China, the United States of America and Britain (Mok, 2003; Wood & Meek, 2002 as cited in Arnolds, 2005).

Internationally, mergers are not a new phenomenon in the public sector. There are mergers dating back at least to the 19th century. Whilst many mergers have taken place for decades in the private sector, mergers in the South African government institutions is a more recent phenomenon (Harman, & Harman, 2003). Kilfoil *et al.* (2005) attest, mergers are not unfamiliar in Australia in sectors of public institutions such education. Many of their current public institutions are the result of a long history of mergers. Mergers have become an established part of life, particularly in the corporate environment (Brousseau, 1989 as cited in Kilfoil *et al.*, 2005). In the United States of America there were 4 363 mergers and acquisitions as early as 2002 (Kilfoil *et al.*, 2005).

Further experience of restructuring through merger is learnt from an Australian experiences under the education restructuring. As in most public service restructuring experiences negative reports with the process have been made. This can be compared to a South African merging tertiary institution where experience showed dissatisfaction among staff members on how the restructuring process was managed by their management. The Australian consolidation process was characterized by anxieties among staff about lowering of academic standards, cultural differences, overlapping of areas of specialization, shift of power from academia to management and increased workloads (Mildred, 2002). During the restructuring of the American health care system disorder was experienced similar to that experienced in the restructuring of the higher-education system (Finkelstein 2003).

Arnolds (2005) observed such mergers or restructuring led to concerns involving human resource issues such as reduced career advancement opportunities and concerns on the role that senior staff would play in appointments. Promotions were viewed as taking place on the basis of whom you know in the pre-merger institution (Arnolds, 2005).

Australian state and territory local government policymakers have used amalgamation or mergers for structural reform in local council to correct real and perceived problems in the performance of small councils, predominantly in regional, rural and remote areas of the country for more than a century (Vince, 1997 as cited in Dollery *et al.*, 2007). This reflects a long-standing consensus amongst policy makers that amalgamation or mergers of institutions represents the most powerful policy tool available to improve both the operational efficiency of public service authorities and enhance local government delivery of service (Dollery *et al.*, 2007).

A common lesson to be learnt on the use of public works programs stems from a long history in industrialized countries, where public works programs have been used as an economic-policy tool, both as a fiscal measure to expand or contract public spending in periods of unbalanced domestic demand as well as a short-term measure to alleviate unemployment (Thwala, 2006). This has sought the strengthening of institutions responsible for initiatives such as public works and infrastructure development.

The section looked at the importance of public works and infrastructure development to fiscus to other countries internationally. Mergers have been used to as a restructuring tool for improving performance institutions charged with the provision of public service. Unsatisfactory implementation of mergers, have left overall disappointing results (a lesson to be learnt in South Africa). The final section looks at the future and development of mergers, with reference to the public sector.

2.12 Future and Development of Mergers

A merger in of the department is intended to improve service delivery. This includes the development of basic infrastructure. Thwala (2006) contends development of basic infrastructure can be achieved through:

- Creating employment by adjusting investments towards employment-intensive public and community infrastructure in both urban and rural areas;

- Constructing, rehabilitating and maintaining infrastructure using local labor, local resources and local capacities, thereby maximizing employment and income-generation for the poor;
- Providing technical advisory and capacity-building services for the planning and implementation of different types of employment-intensive infrastructure (roads, irrigation, drainage, soil conservation, water supply, slum upgrading) (Thwala, 2006).

An interesting observation is made by Haddad and Adato (2001) on the development of infrastructure and creation of employment or poverty alleviation. The performance of public works projects as public-sector antipoverty initiatives in comparison with untargeted transfers depends on the interplay of many factors. Among the cited factors are that projects are more likely to perform well if they include the following:

- wages that are lower than comparable market wages,
- located in areas that have a high unemployment rate among the poor,
- labor intensity high enough to generate a sizeable transfer income,
- create assets that generate nontransferable benefits valued by the poor,
- located in areas that are poor, but not so poor that an untargeted transfer is inevitable, and
- leverage additional nongovernmental funding (Haddad & Adato, 2001)

Public spending on infrastructure construction and maintenance can be a valuable policy tool to provide economic stimulus during recessions. As long as quality and cost-effectiveness are not compromised, labor-intensive approaches to infrastructure development can also be an important instrument for economic growth but when public spending on infrastructure is not prudently deployed, it can crowd out more productive investment in other sectors (Thwala, 2006).

Maintenance of infrastructure such as roads is becoming more visible. There has been a more stable and predictable flow of funds for maintenance but progress varies widely and, although a country might have established infrastructure funds, this does not necessarily mean that the maintenance of infrastructure is either fully efficient, or fully autonomous. In most cases, the establishment of funds has not resolved the insufficiency of funds for infrastructure like road maintenance. The

results also show that more efforts are required to capture and sustain the efficiency gains that could derive from the improvement of infrastructure management practices and better use of available resources (Benmaamar, 2006).

Public institutions charged with the provision of scarce resources for the provision and development of public service continue to be placed under restructuring, such as mergers, for effective and efficient operation (Harman, & Harman, 2003). Regularly inadequate notice is given to the fact that the success, as well as the failure, of merger operations depends not only on groundwork errors made in the course of the strategic and organizational analysis, but also on the manner in which the various phases that follow the conclusion of the operation are carried out, as well as the capacity of management to handle the complexity and the problems that can arise during the integration phase (Carretta *et al.*, 2007).

Muller, (2006) observe for the success of mergers, systems, processes and people all need attention during a change process. Systems and processes are often easier to deal with as they are more tangible. The intangible issues relating to employees demand attention and planning of managers if change is to be truly successful. Managers, who ought to play a vital role, are often unsupported in their roles while having to support, encourage and motivate staff during the change process (Muller, 2006). Communication and a transparent change process are vital, as this will often determine not only how a leader will be regarded in a merger, but who will be regarded as a leader. Leaders need to be competent and trained in the process of transforming organizations to ensure that individuals within the organization accept the changes prompted by a merger (Kavanagh & Ashkanasy, 2006).

Prevailing attitudes and behaviours within merging institutions reflect their dominant norms and values and act as a source for shaping behaviour. Understanding past practices and behaviours becomes critical for future development of a human resource strategy for the merged institution, driven by the values and core competencies to develop new competencies, both to support the organizational capabilities and people issues, and to deal with cultural diversity, change and integration (McMurray 2003).

The South African example of amalgamation or mergers of various arenas within the public sector lends momentum for other countries involved in similar renewal

initiatives to analyze its strengths, its differences from other countries, and identify the most suitable strategies for converting its most profound values into advantages whilst seeking its own path towards competitiveness and globalization in the arena of delivery of service to its citizens (Dayaram, 2005).

The section looked at how the future and development of mergers in the public sector should aim at the provision of effective and efficient solutions through the empowerment of the poor. The section also looked at effective implementation of mergers by identifying crucial elements often overlooked.

2.13 Research Questions

From the literature reviewed, several thoughts have been thoroughly discussed and reviewed, however the following research questions still remain:

1. Has the merger of the department been implemented effectively to allow the various phases of change that can prepare generally expected characteristic responses from staff during a merger?
2. Will the merger affect the level of delivery of service conducted by the former separate departments?
3. Will the merger of the department lead to duplication of functions and what will this entail?
4. Will the merger result to redundant staff and will this result in uncertainty amongst employees?

2.14 Conclusion

The literature suggests a number of views on the merger of the departments Public Works and the department of Roads & Transport Departments and its impact on delivery of service in Mafikeng. The new department is charged with the eradication of unemployment and provision of infrastructure support for the economic growth of the country. The literature highlighted the importance government places on the provision and development of infrastructure by the public sector. Deliberate policy exists in South Africa for the promotion and improvement of basic infrastructure in areas of transport and public works. Effective merger of public sector intuitions continue to affect productivity and delivery of service. The literature looked at lessons that can be learnt from other

institutions such as institutions in the private sector. Other lessons learnt from the literature were derived from experiences on international practice.

The previous departments failed to meet the mandate adequately. This illuminates the need to merge the two departments which have had similar objectives and to rationalize use of limited resources (Benmaamar, 2006; Nordengen & Nell, 2005; Rust, 2009). The government faces problems with the provision of public services at a reasonable cost (Fourie, 2006). Aspects attributed to failure in mergers include cultural clashes, human factor linked to change management and organizational strategy (Bligh, 2006; De Man, & Duysters, 2003; Thwala, 2006; Kilfoil, & Groenewald, 2005; Robbins *et al.*, 2003). For mergers to be successful in the public sector, proper merger procedures are imperative. This applies not only to the private sector, but to mergers in the public sector (Carretta *et al.*, 2007).

The next chapter will look at the research methodologies that can be used to establish the impact of the merger of the department of Public Works, Roads & Transport to the delivery of service in Mafikeng. The section will discuss on the rational of the choice of methodology for data collection and data analysis. The advantages and limitations associated with the three research methodologies, mixed research paradigm, the qualitative and quantitative will be explored. Based on the relevance of the research paradigm investigated, decision will be made on the type of methodology implementation to get the required information.

Chapter Three

Research Methodology

3.1 Introduction

The research problems indicated in chapter 2 still remains remain unresolved. Despite the review of diverse literature on the research problem no explicit solution was arrived at. This chapter presents a research methodology aimed at solving the questions put forward. Research methodology is the method in a logical sequence of connecting the research questions, objectives and the data collection, followed by analysis and interpretation (Hartley, 2004). The study attempts to resolve the following research questions: 1) Has the merger of the department been implemented effectively to allow the various phases of change that can prepare generally expected characteristic responses from staff during a merger? 2) To what extent will the merger affect the level of delivery of service conducted by the former separate departments? 3) Will the merger of the department lead to duplication of functions and what will this entail? 4) Will the merger result to redundant staff and will this result in uncertainty amongst employees?

This chapter includes the research methodology used for the study in relation to the topic and the data collection methods available. The chapter also includes the nature of questions presented to respondents and the appropriateness of the questionnaires used. Special attention has been given to a discussion on the population and sampling. The chapter closes with a declaration on ethical limits to which the researcher has undertaken to comply.

3.2 Research Types

3.2.1 Quantitative and Qualitative

Quantitative, qualitative and mixed or triangulation, are the three main research methodology classifications. The choice of which methodology applied depends on the nature of data to be collected and the problem of the research. The quantitative methodology will apply where data is numerical while qualitative methodology will usually be undertaken where the data collected is verbal (Leedy & Ormrod, 2005).

Quantitative analysis is the collection and analysis of data that is non-qualitative. Quantitative method is mostly concerned with the analysis of numerical data. Quantitative research uses variables, control natural phenomena, and therefore is impersonal and experimental. It is generally associated with systematic measurement, statistical analysis and mathematical models. The characteristics of traditional quantitative research are a focus on deduction, confirmation, theory/hypothesis testing, explanation, prediction, standardised data collection, and statistical analysis (Wang, 2003). A quantitative method involves a systematic approach of using numerical data for the purpose of possible correlation among two or more phenomenon. It examines the situation as it is and therefore does not lead to any addition to the investigation, nor does it provide the cause-and-effect relationship (Leedy & Ormrod, 2005).

Under quantitative methods multiple data is collected using different strategies, approaches, and methods in such a way that the resulting mixture or combination is likely to result in complementary strength and non-overlapping weaknesses (Brewer & Hunter, 1989). Qualitative methods focus mainly on phenomena occurring in its natural settings and aims to study the phenomena in their complexity entirely (Leedy & Ormrod, 2005).

In a qualitative analysis, it is assumed that there are differing views to a problem or phenomenon, and the use of this method will deliver an accurate opinion of the matter studied. The researcher is required to make an interpretation of the matter by not focusing on quantifying the situation alone (Creswell, 2003). Qualitative research is the methodology of study that produces descriptive data where people, written or spoken words are discernable (Wang, 2003). Qualitative data is generally based on themes that emerge through open-ended interviews, observations, or the review of various documents and audio visual materials such as videotapes, photographs, sounds, and even email and text messages (Creswell, 2005).

Peshkin (1993) asserts qualitative research has the ability to:

- Enable the researcher to have fresh views concerning a specific phenomenon allowing the development of new concepts or theoretical perspectives and or draw complications pertaining with the phenomenon

- Expose the nature of certain situations, settings, processes, relationships, systems or people
- Give the researcher tools to judge the effectiveness of certain policies, innovations and practices
- Encourage the researcher to test the validity of particular assumptions, theories, generalizations or claims within a practical setting.

Mixed methods research is defined as the class of research where the researcher mixes or combines quantitative and qualitative research techniques, methods, approaches, concepts or language into a single study. It is an expansive and creative form of research. It is inclusive, pluralistic, and complementary, and it suggests that researchers take a heterogeneous approach to method selection and the thinking about and conduct of research. The research question is important to determine the approach and that offers the best chance to obtain useful answers. Many research questions and combinations of questions are best and most fully answered through mixed research solutions by mixed methods research, both quantitative and qualitative research are important and useful. The goal of mixed methods research is not to replace either of these approaches but rather to draw from the strengths and minimise the weaknesses of both in single research studies and across studies (Johnson & Onwuegbuzie, 2004).

The following is a comparison of the quantitative, qualitative and triangulation using a table:

Quantitative	Qualitative	Mixed
Testing and validating already constructed theories about how (and to a lesser degree, why) phenomena occur.	Data based on the participants’ own categories of meaning	Words, pictures, and narrative can be used to add meaning to numbers
Can generalize a research finding when it has been replicated on many different populations and subpopulations	It is useful for studying a limited number of cases in depth	Numbers can be used to add precision to words, pictures, and narrative
Useful for obtaining data that allow quantitative predictions to be made	It is useful for describing complex phenomena	Can provide quantitative and qualitative research strengths

Data collection using some quantitative methods is relatively quick (e.g., telephone interviews)	Provides individual case information	Researcher can generate and test a grounded theory
The research results are relatively independent of the researcher (e.g., effect size, statistical significance)	Responsive to changes that occur during the conduct of a study (especially during extended fieldwork) and may shift the focus of their studies as a result	Can answer a broader and more complete range of research questions because the researcher is not confined to a single method or approach
It may have higher credibility with many people in power (e.g., administrators, politicians, people who fund programs)	Data in the words and categories of participants lend themselves to exploring how and why phenomena occur	A researcher can use the strengths of an additional method to overcome the weaknesses in another method by using both in a research study
It is useful for studying large numbers of people.		Can provide stronger evidence for a conclusion through convergence and corroboration of findings

Source: Johnson & Onwuegbuzie (2004)

Table 3.1 Distinction between quantitative, qualitative and triangulation methodology

3.2.3 Research Method (s) used in this Thesis

The research approach used in this study is the quantitative approach. The methodology has been chosen because it can best be used for observation studies, correlation research, development designs and survey research. On the other hand, qualitative methodology can best be used in descriptive, interpretive, verification and evaluation studies (Leedy & Ormrod). The method has been favoured based on the comparison of the two methods possible methods i.e. quantitative and qualitative, in relation to the data collection method and the research question. The aim of this study is to determine the correlation between the merger of the department of Public Works, Roads & Transport and delivery of service in Mafikeng.

3.2.4 Data Required

Primary and Secondary Data

Primary data is first-hand information collected by the researcher accurately aimed for the study being conducted. Interviews and surveys can be used for the collection of data or information. Secondary data refers to information or data collected from previously gathered sources conducted by someone else for the purpose of a related study and subsequently used by other researcher. Secondary sources includes data collected from sources such as books, journals, periodicals, and reports (Leedy & Ormrod, 2005). Primary data is considered the closest to the actual study and secondary data as a layer farther away from the study performed (Leedy & Ormrod, 2005). Secondary data provides background information and direction for a research (Cooper & Schindler, 2004). This study, therefore, employs both primary and secondary data. According to Leedy and Ormrod (2005), a research methodology is used for obtaining primary data based on a conducted survey. To achieve this, a survey is conducted to gather primary data while secondary data is been drawn from journals, reports and available literature in the academic field on the topic.

The following section looks at data collection used in the study. The section explains the methods of collecting the primary data. A self administered questionnaire is used for the purpose of collecting primary data. The questionnaire construction and choice sampling methods have also been explained. Lastly, the section looks at the types of variables used.

3.3 Data Collection Method

3.3.1 Methods for Collecting Primary Data

Data collection is categorised as a monitoring and communication process. In monitoring, the researcher does not need any response from subjects but inspects activities or nature of a material. In the interrogation or communication type of data collection, the researcher questions the subjects through interview or telephone conversation, self administered or self-reported instruments (Cooper & Schindler 2004). There is no simple answer to what is the best data collection instrument. The nature and purpose of the research will just give guide to which method to use.

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Open-ended questions characterise quantitative studies, while survey interviews are structured (Leedy & Ormrod, 2005).

a) Interviews

Qualitative studies tend to have open-ended interviews, survey research interviews tend to be structured. The questions posed in a structured interview tend to have a standard set of questions from the researcher (Leedy & Ormrod 2005). The use of a survey is briefly discussed below in order to justify the use of a survey for the purpose of this study.

b) Survey

The characteristic of a survey is the collection of numeric or quantitative data from a given group using direct observation. A survey can be used for various reasons that can include one of the following (Leedy & Ormrod 2005):

- Explore differences
- Examine correlations and associations
- Exploratory research
- Testing of a theoretical model
- For identification of trend

The primary data in this study will be collected by conducting a survey with structured questionnaires. The questionnaires will be distributed physically and through email to employees and decision makers in the new departments of Public Works, Roads & Transport. Selected officials in the department will form part of the survey. These will include decision makers such as directors and managers directly involved with the merger of the department. Distributed of other questionnaires will involve personnel within the department.

3.3.2 Questionnaires

Data collection is the gathering of data that may range from a simple observation at one location to a grandiose survey of multinational corporations in different parts of the world (Cooper & Schindler 2006: 253). Questionnaires have been opted in this study because alternative methods such as personal interviews are costly in time and money. This constraint usually results in a small sample for study (Bless &

Higson-Smith, 2000:108-109). Telephone surveys as an option can be costly and therefore interviewing length must be limited. Using this as a basis, it was decided to use a self-administered structured questionnaire in conducting the present study. De Vos (1998: 290) describes a questionnaire as an instrument with open or closed ended questions or statements to which a respondent must react. Questions are arranged in a definite order according to the researcher's choice. In close-ended questions, a series of possible answers are given from which the respondent must make his/her choice. Open-ended questions allow the respondents to give their own opinions, perceptions, and etcetera and do not restrict them to specific alternatives. The management of the department was approached for approval to distribute copies of the questionnaire amongst staff members. The strategy used to develop the items in the questionnaire was mainly derived from the literature in Chapter 2.

Twenty (20) questions but essential to the research make up the questionnaire as recommended by Leedy and Ormrod (2005). The intention is also to encourage and maximise the response rate. The questionnaire has three sections (Refer to Appendix C). The first part concerns permission to use the respondent's answers the academic research. The second section aims at collecting biographical data on the respondents such as age, gender and qualifications. The third section contains specific questions pertaining to the Public Works and Roads & Transport Departments merger and its impact on delivery of service in Mafikeng. Responses require the respondent to indicate a yes or no answer. The following table gives the questionnaire outline.

A short disclaimer describing the purpose of the research – refer to Appendix A	
A reminder – refer to Appendix B	
The Questionnaire – Refer to Appendix c	
A ‘Thank you’ Note – refer to Appendix D	
Section 1	Permission to use the respondent’s answers the academic research
Section 2 Questions 1-8	Collects biography data on the respondents including age, gender and qualifications
Section 3	Focuses on collecting response on the Public Works and Roads & Transport Departments merger and its impact on delivery of service in Mafikeng

Table 3.2: Questionnaire Outline

3.3.3 Sampling Methods

Babbie *et al.* (2003:112) describe a population for a study as that group (usually of people) about whom the researcher wants to draw inferences. However, with limited time and money, researchers are unlikely to study the entire body of relevant facts about the whole group of people under investigation. Therefore, the findings and conclusions in survey research are based on information gathered from a limited number of people from whom generalisations can be made about the whole number. This selected group from the population is called a sample (Nachmias & Nachmias 1996: 201). When choosing a sample, the researcher often has to prepare a comprehensive list of all units in the target population that is called a sampling frame (Leedy & Ormond, 2005).

A list of all participants required for the sample is sourced followed by a random selection of the sample to be used for the purpose of the survey. The population is divided into the following: senior management or directors, middle level management, lower level management (supervisors) and lower level staff. After stratifying the population, the respondents are randomly selected from each stratum. By using simple random selection in each stratum, each employee has an equal chance to be selected into the sample, as such making it more representative of the population.

A table prepared by Krejcie and Morgan (1970) can help establish the appropriate sample size (S) based on the population (N). The proposed population size in this particular study $N = 450$ therefore $S = 210$. This entails that the sample size will require of a minimum of 210 completed questionnaires in order to draw an expressive conclusion from the data collected in the survey.

3.3.4 Types of Variables

A variable is an empirical observable characteristic of some phenomenon, which can take more than one value or response category. For example, gender, number of tourists visiting a town, profits derived from a tour business or the percentage of the provincial budget spent on improving infrastructure. Expectation is that all questions raised in a questionnaire generate a variable. The common variables include nominal, ordinal and ratio variables (Diamantopoulos & Sclegelmilch, 2004).

Nominal variables: involve variables where the response can be placed in any order and the numbers assigned to the response categories have no other property except to serve as labels.

- Nominal variables allow the classification of responses
- The responses groups should be mutually exclusive and collectively exclusive in nature
- The frequency or percentage of occurrence under each category can be determined for nominal variables
- No numerical meanings are given to the categories

Ordinal variables: these are variables where the response categories have a certain order and the numbers assigned to the response categories have an order.

- Response from ordinal variables can be placed in categories
- The frequency or percentage of occurrence under each category can be determined for nominal variables
- Order of the number assigned to the categories have meaning
- The number assigned to the ordinal variables do not have meaning
- A rank or order of response can be placed on ordinal variables
- Difference between consecutive categories need not be the same

Ratio variables: these are numerical variables where there is some standard unit of the property measured. The distance between consecutive numbers is the same. Therefore, accurate statements on the differences between cases can be made.

- Responses can be categorised
- The frequency or percentage of occurrence under each category can be determined for nominal variables
- The number assigned to the rational variables have meaning
- The order of the number assigned to the categories have meaning
- A rank or order of response can be placed on rational variables

- Distance between two cases can be calculated allowing the measure of how much more or less
- The ratio of the two responses can be calculated

The survey will employ a combination of variables. For identifying participants, nominal and ordinal variables will be applied. The nature of questions asked will determine variables applied for survey questions varying from ordinal to ratio variables. The data will be collated and entered onto a spreadsheet where statistical calculations will be done and used and interpreted. This research relies on the questionnaire's validity and reliability to minimise response bias.

3.4 Ethical Consideration Pertaining to the Study

Ethics are concerned with the rules and principles that harmonise the aims and desires of all men. Since human beings are the subject of the study in the social science, this brings its own unique ethical problems to the fore that would never be relevant in the pure, clinical laboratory settings of the natural sciences (De Vos, 1988:23) ethical standards adhered to in this study follow the following norms:

- Justice; where all respondents are treated with respect and fairness
- Beneficence; no respondent is exploited in any way, nor harmed nor even exposed to any discomfort physical, emotionally or psychologically
- Confidentiality where no information provided by the respondents to the researcher is available to any other person
- Privacy; the researcher undertakes necessary precautions to ensure that the self-respect and dignity of the respondents is maintained by collecting the questionnaires privately
- Information consent; full disclosure is given to the respondents on the purpose and objective of the study and how the study is conducted
- Trust between the researcher and the respondents are vital throughout the whole study. Each attempt is made to gain the trust of the respondents during the course of the survey.

3.5 Limitations

Survey technique suffers from a number of shortcomings including the low response rate from to questionnaires. This will tend to impinge on the relevance of the research owing to lack of full representation.

- Other limitations arise where respondents are required to tick one of the possible answers and are not asked to give their true feelings
- Survey respondents are also likely to provide socially acceptable answers or avoid strongly negative or positive views and stick to compromise positions
- Some respondents deliberately and unnecessarily give extreme opinions as their answers. Occasionally, response rates are also low and it takes researchers extra time and expense to collect required number of responses
- Correlation research has a limitation where the correlation may suggest existing relationship between two variables, while proof of change in a variable resulting from that of the other variable may not be given.

3.6 Conclusion

This chapter described the research design and methodology used in this study. Further, it looked at instrumentation, research type, population, sampling method, and data gathering methods from a theoretical perspective. A discussion of how these were applied in this study was also indicated. Justifications for the choices made were provided as well. Schaefer and Dillman (1998) have found significantly faster response times with e-mails surveys and the same is hoped for this study as it will use e-mail survey approach. The next chapter looks at the study findings that would be in rejecting or accepted the raised questions

Chapter 4

Data Discussion

4.1 Introduction

The survey conducted involved the merger of the Department of Public Works, Roads & Transport which falls under the North West Provincial Government (NWPG). The aim of study is to analyse the impact of merging the department of Public Works and the department of Roads and Transport, and the subsequent impact the merger has had on the delivery of service in Mafikeng. The merger of the two departments will achieve synergy through integration and will lead to improved performance of the newly formed department thereby increasing improved maintenance of infrastructure (SAICE 2006, Milford *et al.*, 2001 as cited in Rust, 2009



The research question being researched seeks to determine whether the merger of the department was implemented effectively to allow the various phases of change that can prepare generally expected characteristic responses from staff during a merger. The research also intends to ascertain whether the merger will affect the level of delivery of service conducted by the former separate departments. The proper implementation of the merger is vital and this has been addressed by ascertaining whether the merger will lead to duplication of functions and what this may entail. Lastly, the research undertakes to find out whether the merger will result in redundant staff and examine the effect of uncertainty amongst employees on productivity of the newly formed department.

This chapter discusses the research findings and provides analyses and interpretation of data. The survey conducted had certain questions asked that have been analysed based on the application of Pearson correlation coefficient and p-value. The Pearson correlation coefficient method correlates all listed variables with each other, using two at a time, and indicates statistical significance of the relationship. The p-value provides information on the extent, which the significant region is (Diamantopoulos & Schlegelmilch, 2004).

The chapter begins with a descriptive introduction based on the demographics of the respondents. This is followed by a section reflecting the findings of the target

survey's perception with regard to the impact of the merger of the department of Public Works, Roads & Transport on delivery of service in Mafikeng. This starts with Frequency Tables and Figures on mergers and service delivery, followed by the measures of association using Standard deviation of the means, and correlation.

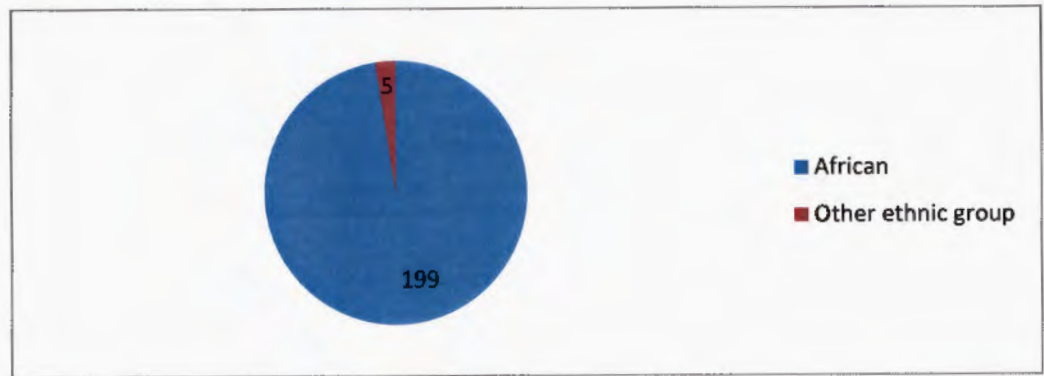
4.2 Response rate

The following sections discuss the results of the survey. There were 250 questionnaire distributed to a population of 450 desired employees of the Department of Public Works, roads & Transport. There were 230 completed questionnaires returned using simple random sampling technique. Out of the returned questionnaires, 204 were completed satisfactorily. The number of 204 returned questionnaires was considered an adequate sample size according to Krejcie and Morgan (1970). The data was summarized on a spread sheet and statistics were calculated using SPSS. The researcher has tried many times to show that the requirements for the sample were followed. The sample met the strict rules and was randomly selected. All names were allocated a number and numbers were drawn. Where a respondent did not complete a questionnaire, the next number was drawn and the questionnaire used. In this way the sample could be regarded as being representative.

4.3 Demographics

The following section discusses results on demographics. The results include Figures and Tables showing the ethnicity demographic profile, job profiles of the respondents, qualification profiles of the respondents, gender profiles of the respondents, age of the respondents, citizenships of the respondents, places where the respondents were brought up and finally the section looks at the respondents' years of service.

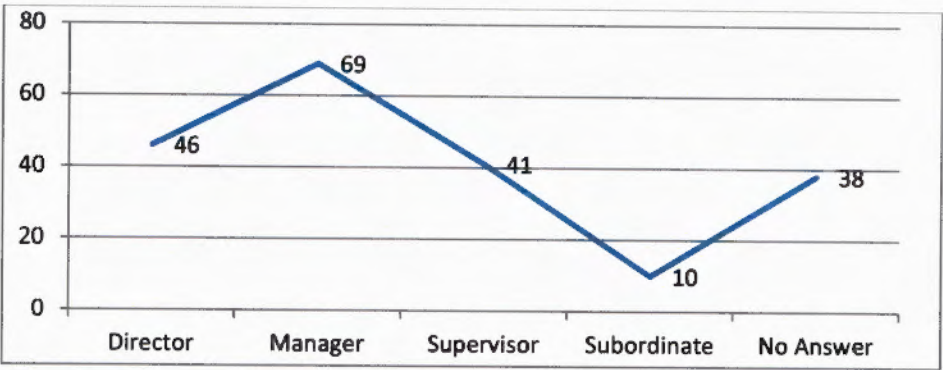
Figure 4.1 Demographics



The results in the chart above indicate out of the 204 respondents, there were a large number of African people. The result arises owing to the Affirmative Action policies currently in place in the civil service, which promotes the employment of

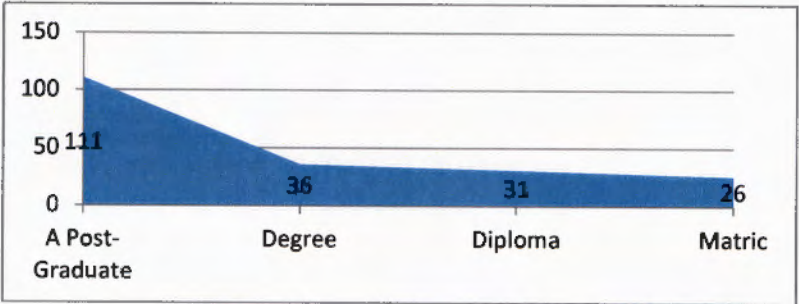
more Africans. The policy has seen an increased exodus of other ethnic groups, especially among the white employees. This result may have an effect on the standard deviation. It shows how much variation there is from the "average" (mean). A high standard deviation indicates that the data is spread out over a large range of values owing to the fact that the African component is so large. This draws the sample out of proportion. The sample size shows variability showing that the sample was picked at random.

Figure 4.2 Job of respondent



As indicated in the figure above, the highest number 115 (56.37%) of respondents was received from managers and directors, followed by supervisors with 41 (20.10%). The targeted sample was mainly of employees who were in discussion making positions such as directors, managers and supervisors. The targeted employees have a better understanding of the effect of the merger of the departments. This is because of the experience actually gained through delivering deferent types of services to the community and the actual merger of the department. The number of directors in the NWPG compared to other positions is relatively small and therefore a response of 46 (22.55%) was representative of their category.

Figure 4.3 Qualification of respondent



The information in Figure 4.3, indicates most of the respondents 111 (54.41%) have a post graduate qualification. This was followed by 36 (17.65%) respondents with degree qualification. The results indicate most of the respondents in senior position of the department have adequate qualifications to undertake the merger of the department. The majority of the respondents are expected to contribute to the operation strategies of the department, which will assist in the implementation of the merger. There were 31 and 26 respondents who had diploma and matric qualifications. The result suggests most of the respondents with diploma and matric qualifications made up subordinate employees. Employees in the subordinate roles will assist the research considering that they are directly involved with the implementation of the functional strategy of the department, which directly impacts on delivery of service.

Figure 4.4 Gender

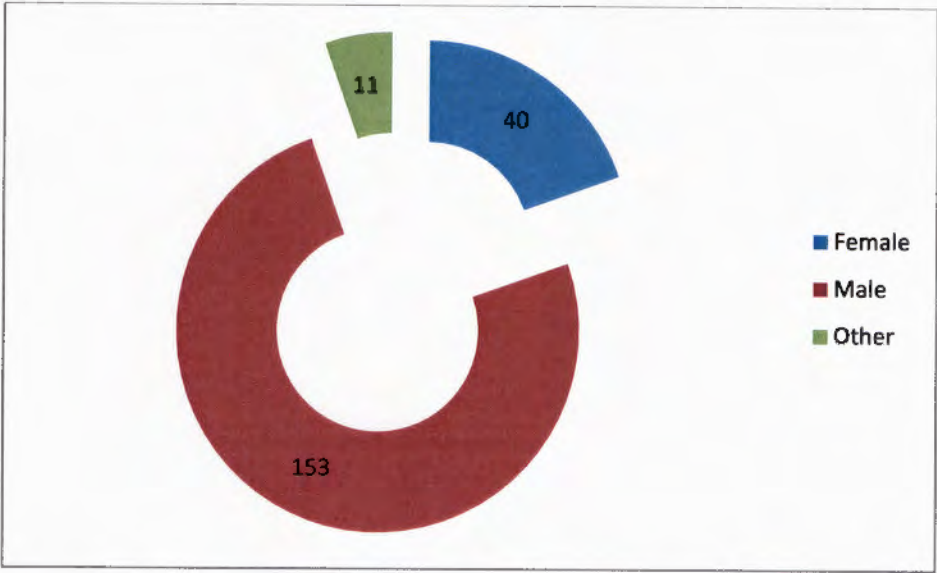
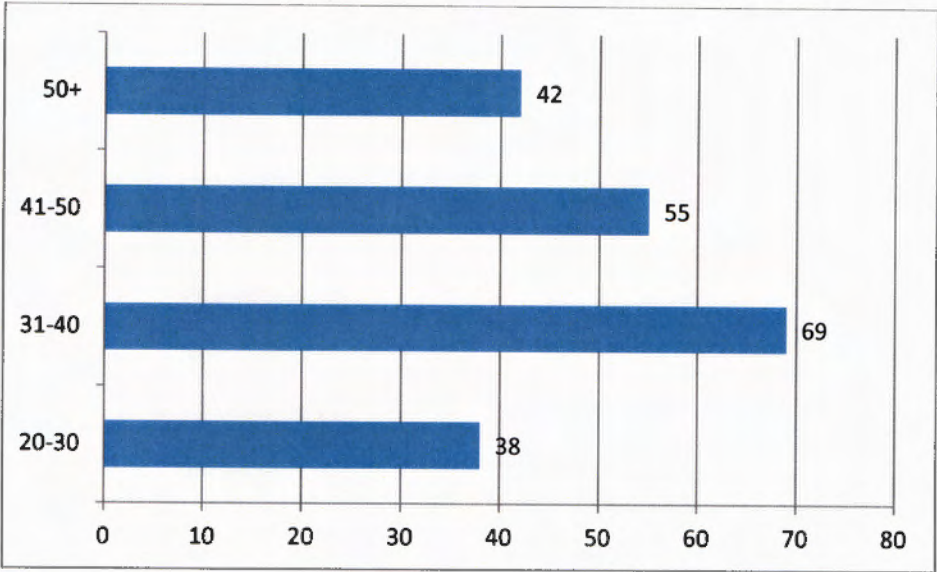


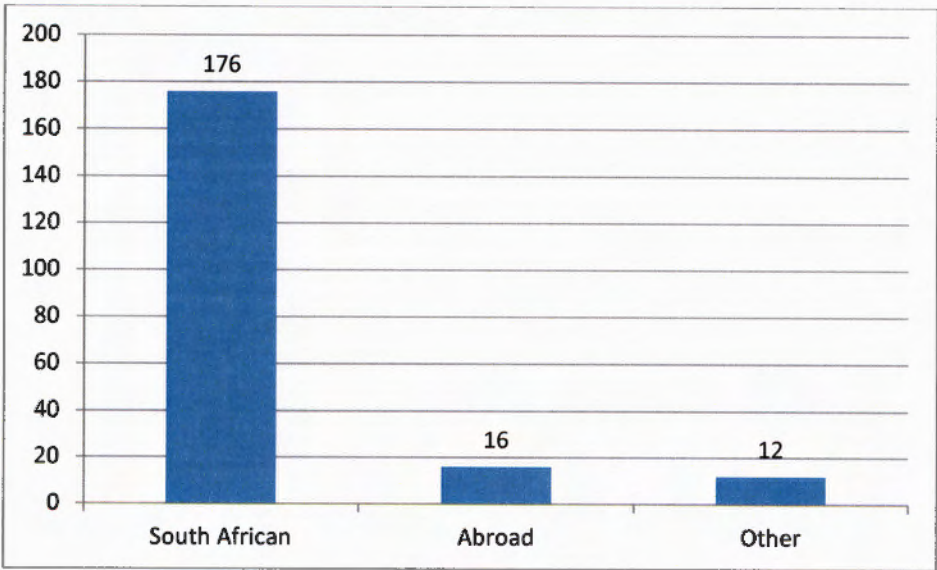
Figure 4.4 indicates the majority of the respondents 153 (75%) were male employees while only 40 (19.60%) was made up of female. The result indicates a high imbalance between male and female employees. This is a cause of concern considering that there have been efforts aimed at employment equality especially in the public sector. The difference in the number of male employees compared to female may have been caused because of the few female employees currently with the necessary qualifications to occupy senior positions. It is anticipated that this will position will change as more female attend university and are prepared to take up senior positions.

Figure 4.5 Age of the respondents



The graph above shows a high number of respondents in their middle and older age category. Respondents were randomly selected within the department. The intention was to target employees who were in decision-making positions such as directors, managers and supervisors. Most of such employees will fall within the age range shown by the results. The lower age range is made up mostly of employees who occupy subordinate positions. Government provides secure job security whereby most employees are willing to remain within the employment of the civil service up until retirement. This is common most especially for non-technical skills. The situation may be a cause for concern because most of the senior position have employee almost reaching retirement age.

Figure 4.6 Citizenship



The results in Figure 4.5 indicate that citizens occupy most 176 (86.28%) of the positions in the department. The results showed 16 (16%) of the positions are occupied by respondents from abroad. The term 'abroad' is used to signify positions occupied by employees who are non-citizens or foreigners expects. Employment regulations reserve most of the job opportunities for locals or citizens only. Foreigners expect are mostly allowed to occupy positions regarded as scarce skills. These include skills such as IT and engineering skills. The 'abroad' category shown in the Figure above is therefore bound to be made up mostly the scares skills category. Twelve (5.88%) respondents chose not to indicate their citizenship. This may have been composed mostly of foreign employees who may feel prejudiced to reveal their origins.

Figure 4.7 Place where they grew up

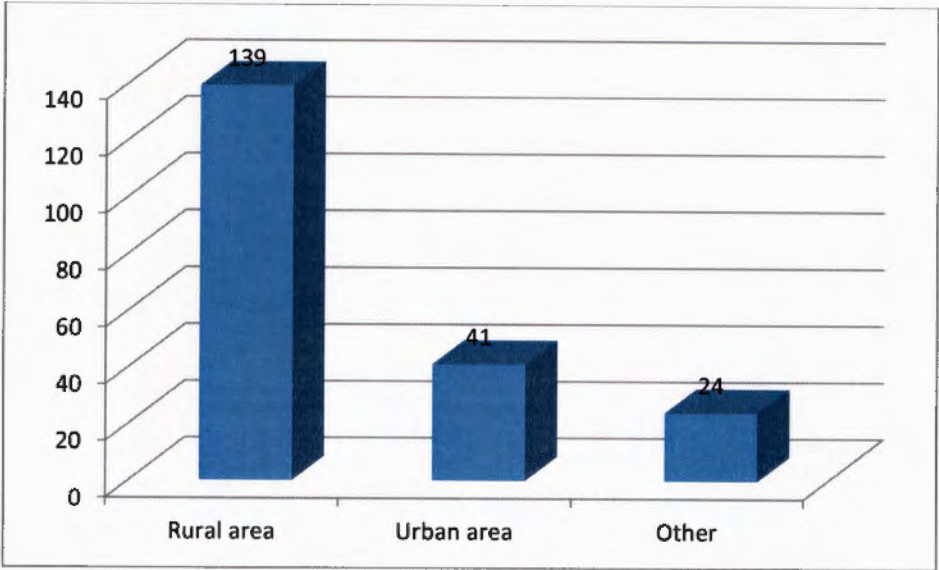
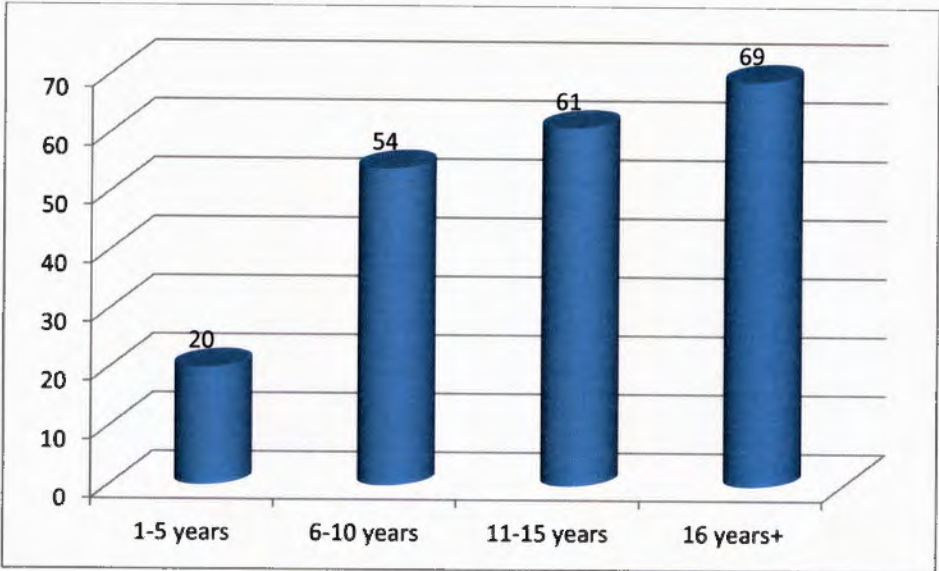


Figure 4.6 show 139 (68.14%) grow up in the rural area, while 41 (20.10%) of the respondents indicated, they grow up in the urban area. Respondents targeted in the study are made up of senior employee. It is expected therefore that most of such employees were brought up in village setting, which were located in rural areas. South Africa is currently becoming urbanised which previously was not the case. It will therefore be expected that the new generation will be brought up in urban areas. The results show 24 (11.77%) respondents under 'other'. This result is made up of respondents who chose not to review where they grew up.

Figure 4.8 Years of service

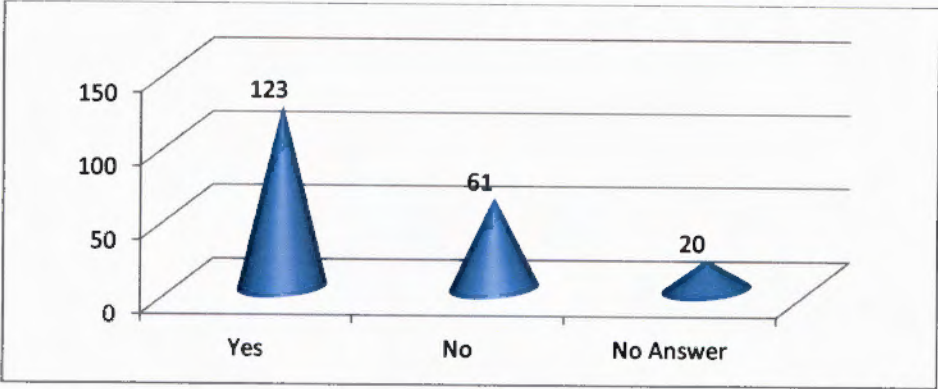


The results in table 4.2 indicate that most of the respondents from the 204 respondents, 130 (63.73%) have been in the service of the state for a period between 11-16 years. There were 54 (26.47%) respondents who indicated they had been employed between 6 and 10 years. Overall the results indicated that more of the respondents had actual been in the service longer than those who had not. This is because of the targeted sample that was mainly of people who were in decision-making positions. These respondents were in stations that could articulate the merger of the department. People tend to work long in the State departments because of the job security offered by Government as indicated in the Two Factor Theory of Motivation; people are motivated to work because of their unsatisfied needs, which include job security. To satisfy their needs people look for employment and secure work according to their skills, knowledge and potential (Smit & Cronje, 2004).

4.4 Results of Investigation

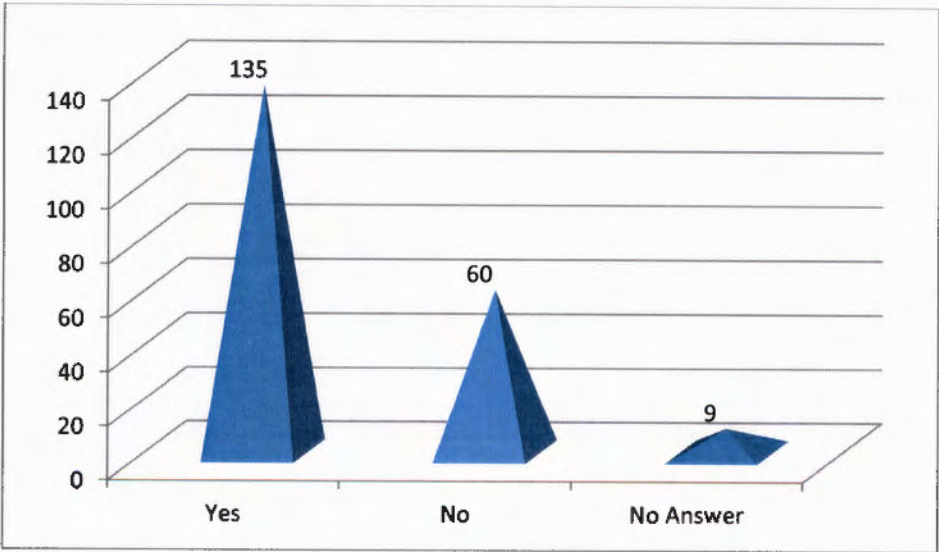
The following section looks at the frequencies of occurrences using Figures and Tables. Included in the section are frequencies on how the merger of the department was implemented. This includes employee understanding of the merger and the process and procedures followed. Other results included frequencies in Tables showing the official attempts made to evaluate the outcomes of the merger; the attitude of employees towards the merger and the impact of the merger on the effective and efficiency of running the department. Results on frequencies showing the impact of the merger on service delivery problems currently being experienced in Mafikeng have also been included.

Figure 4.9 Merger of the department implemented properly



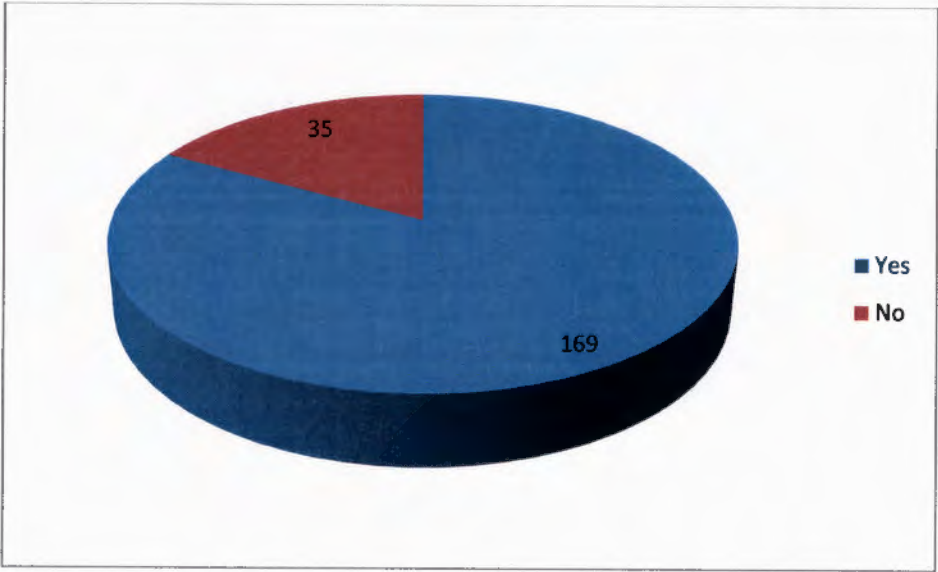
Out of the 204 respondents, the majority 123 (60.24%) indicated that the merger of the department was properly conducted while 61 (29.90%) indicated that the merger was not conducted properly. The high number of respondents who responded affirmatively suggests most of the respondents may have been involved in the implementation of the merger. It therefore can be assumed that such respondents cannot indicate otherwise. Of those who responded negatively, it is expected that this may have consisted of respondents who were not directly involved with the implementation of the merger. It is expected that from the respondents who indicated that the merger was not implemented properly, will arise employees who may feel victimised by the merger or those who do not understand the purpose of the merger clearly. Mergers create particular new challenges for managers and the need to be developed specific skills to handle larger and more complex roles (Devine & Hirsh, 1998). There were a few respondents, 20 (9.30%) who chose not to indicate how they felt about the merger. This result may have arisen because some member of staff thought they would be victimized by their response.

Figure 4.10 Understand the objectives of the merger



The majority of the respondents 135 (66.18%) indicated that they understood the objectives of the merger. It may appear that most of the respondents who indicated a clear understanding of the merger were employee who may have been involved in the implementation of the merger strategy. It therefore can be assumed that this segment of respondents was made up of directors or managers. The ability to build new teams is important as the functional teams for the new organization to take shape. The role of senior managers should include team building and to encourage some types of outcome and to discourage others (Muller, 2006). There were 60 (29.41%) respondents who indicated that they did not understand the objective of the merger. It may be assumed that this segment of respondents was made up of employees who were not directly involved in the formulation of the merger strategy. These could have been mostly subordinate employees. There were 9 (4.41%) respondents who gave no answer to the question. This segment could have been made up of respondents who feared victimisation or respondents who actually did not understand the objective of the merger.

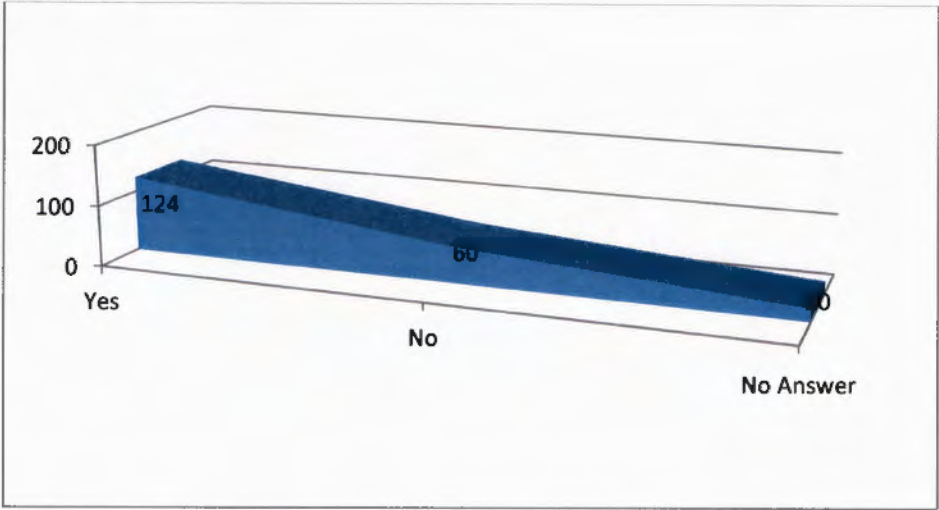
Figure 4.11 Merger process and procedures made known officially to you



Communication is critical when trying to get people to see and do things differently. Formal communication focuses on telling people what to do, which involves handing out assignments and required actions. People need to understand the thinking that went into pertinent decisions that will affect them (Kilfoil, & Groenewald, 2005). Communication concerning the merger was vital to all employees. The results showed the majority 169 (82.84%) were officially informed

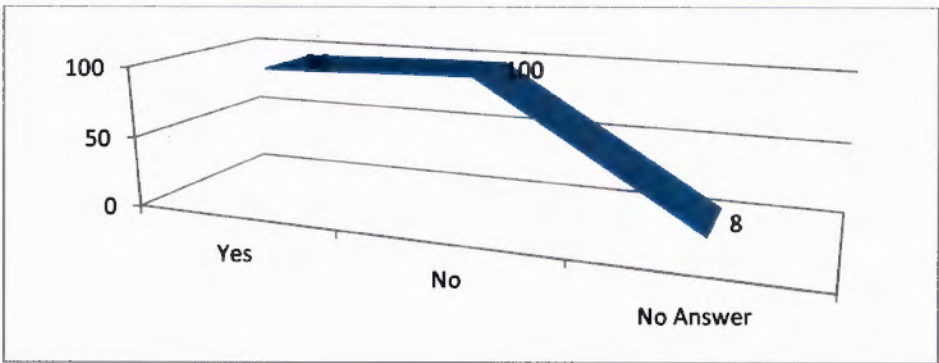
about the process and procedures of the merger. Communication must be made to all concerned. The results review 35 (17.16%) of the respondents were not officially informed of the process and procedures of the merger. The number, although small, can be worrying because anyone who is not familiar with the process and procedure of such an important element of the merger could negatively affect the successful implementation of the merger.

Figure 4.12 Official attempt made to evaluate the outcomes of the merger communicated to you



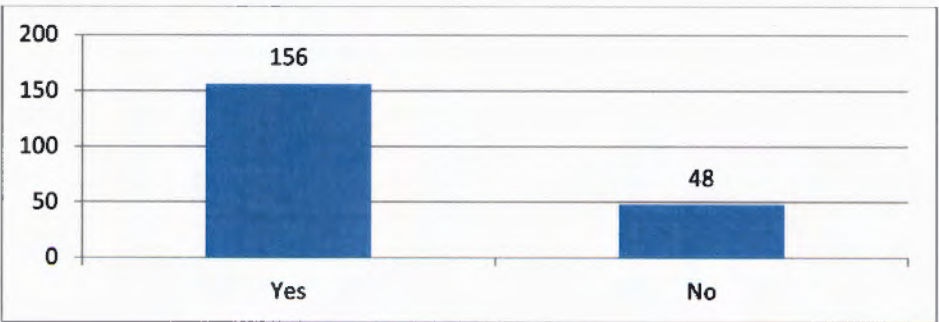
The results indicate the majority 124 (60.78%) of the respondents were aware of an official attempt to evaluate the outcomes of the merger. There were 60 (29.41%) indicated that they were not aware of any attempt to evaluate the outcome of the merger. It is important that celebration and reward need to be managed as carefully and thoughtfully as any other aspect of change, as there is always the danger that celebration may turn into self-congratulations and complacency (Duck, 2001). The monitoring and implementation stage of a crucial change in a merger. The number of respondents who indicated they were not privy to the evaluation of the merger remains worrying, albeit the majority of the respondents who indicated otherwise. There were 20 (9.80%) respondents who did not give any answer to the question. This could be because the feared victimization or were simple not aware of any evaluation. The evaluation process requires involving all concerned for the monitoring and implementation of the merger to be successful.

Figure 4.13 Feel victimised by the merger situation suffering from shock, denial, anger or depression



The results in the Figure above show the merger resulted in a general victimisation of respondents, whilst at the same time a feeling of none victimisation by the merger. This has been shown by 96 (47.06%) respondents who indicated that there had been victimised. These respondents indicated they had experienced feelings of shock, denial, anger or depression. In a merger employees are the victims of the situation. There are many natural emotional reactions to change, which can follow a predictable pattern such as shock, denial, anger, bargaining, depression, testing, and acceptance (Pollack, 2003). On the other hand, there were 100 (49.02%) respondents who did not feel victimised by the merger. The close tie of the two results suggests a mixed reaction to the merger, where the number of respondents who felt victimised did not benefit from the merger, while those who indicated they were not victimised are the ones who stood to benefit from the merger. There were only 8 (3.92%) respondents who chose not to give an answer to the question. This may be because they did not want to be prejudiced by answering or were still evaluating the situation.

Figure 4.14 Merger have the impact to allow the department to operate more effective and efficient



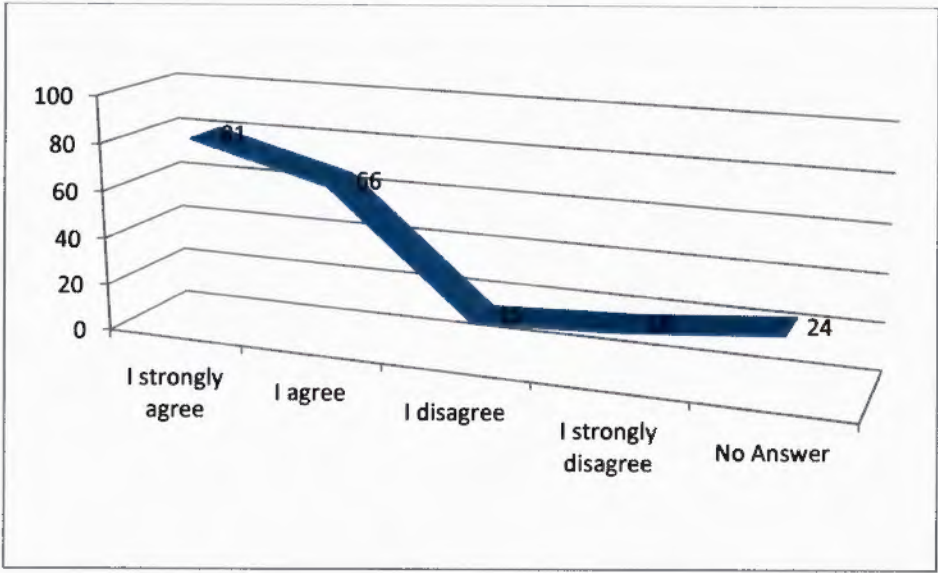
The results shown above indicate that the majority 156 (76.47%) of the respondents felt the merger had the impact to allow the department to operate more effective and efficient. Mergers have become important to allow organization to operate more effective and efficient through synergy (Henningsson & Carlsson, 2007). There were 48 (23.53%) who indicated that they did not feel the merger had the impact to allow the department to operate more effective and efficient. Compared to the results shown in other questions, which showed disdain from respondents on the merger and the process, an inconsistency can be identified. This could be attributed to personal feeling of respondents, where personal atonement surpassed the bigger picture of efficiency of the department productivity. This is clearly revealed in the results shown in this frequency.

Table 4.1 Service delivery problems currently being experienced in Mafikeng

I strongly agree	98
I agree	56
I disagree	10
I strongly disagree	5
No Answer	35

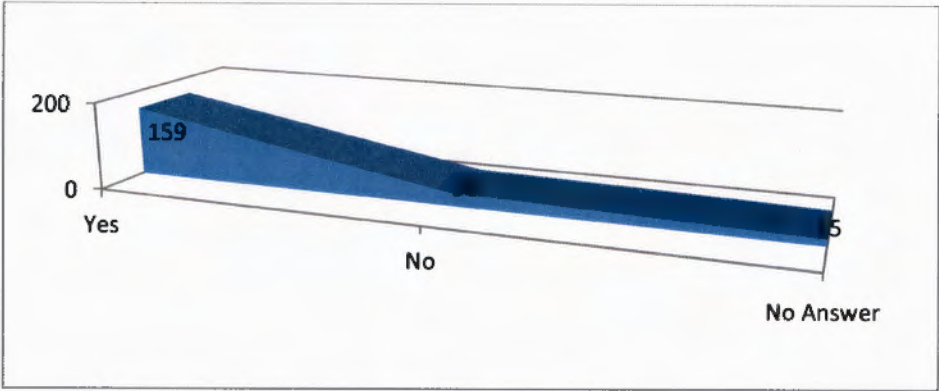
The results in Table 4.1 indicate the majority 98 (48.04%) of the respondents indicated they strongly agreed Mafikeng was experiencing service delivery problems. There were 56 (27.45%) respondents who agreed to the assertion. The public sector in South Africa has suffered financially with a decline in the delivery of service standard since 1994 (Statssa, 2007). The results indicate only 15 (7.35%) respondents stated that they felt otherwise, where 10 (4.90%) disagreed and 5 (2.45%) strongly disagreed. The likelihood is that respondents who felt there was no service delivery problems in Mafikeng was response given by employees directly connected with the delivery of service. These employees are expected to be directors whose positive performance of delivery of service will be in their favour. There were 35 (17.16%) respondents who gave no answer to the question. This might have been because they did not want to be victimised by giving their views. It is expected that these respondents were made up of subordinate employees.

Figure 4.15 Merger harmonize abilities, strengths and change productivity of the newly formed department



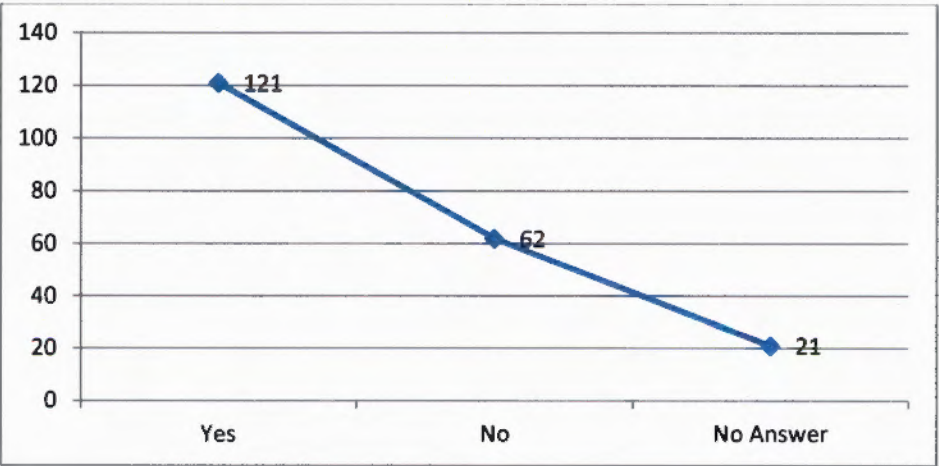
There were 147 (72.06%) respondents, who indicated that the merger had the ability to harmonize the two departments and thereby enhance productivity. Of these respondents, 81 (39.71%) 'strongly agreed' and 66 (32.35%) 'agreed'. The concept of synergy is essential to understand the logical reasons why organizations engage in mergers or acquisitions. Synergy in this context is defined as what is occurring when two units can be run more than efficiently and/or more effectively together apart ((Henningsson & Carlsson, 2007). Achieving synergy through integration in the merger of the department of Public Works, Roads & Transport will lead to improved performance of the newly formed department thereby increasing improved maintenance of infrastructure (SAICE 2006, Milford *et al.*, 2001 as *cited* in Rust, 2009). Parties to a merger with harmonizing abilities can combine their specific strengths and enhance productivity that each party on its own would not have been able to create (Gerpott, 1995 as *cited* in De Man & Duysters, 2003). There were 33 (16.18%) respondents who suggested the merger would not have the effect of harmonising the two departments. It is expected that this segment may have been made up of employees who did not clearly understand the objectives of the merger or did not receive ample feedback on the progress of the merger. Twenty four (11.74%) of the respondents chose not to answer the question. This may have been for fear of victimisation or because the respondents simple were not aware of how the merger was going to harmonise the department.

Figure 4.16 Merger have a direct impact on the level of delivery of service



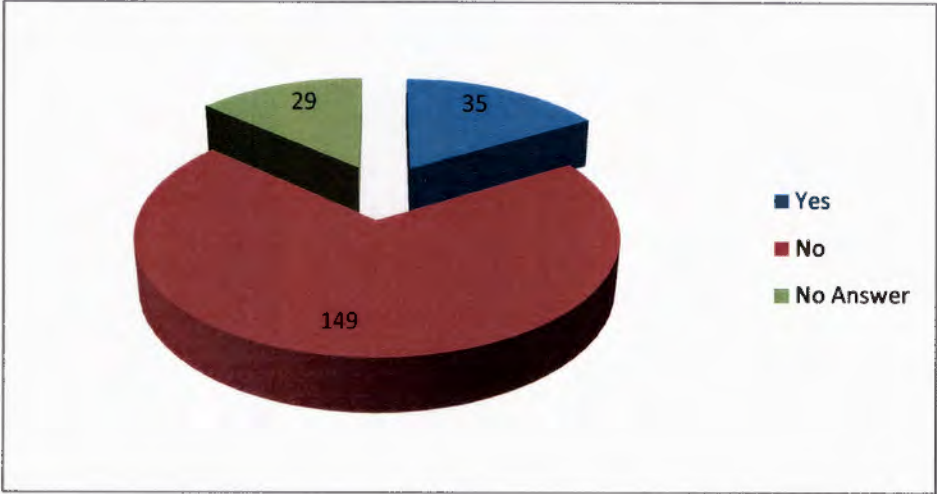
Most of the respondents 159 (77.94%) indicated that the merger had a direct impact on the level of delivery of service. The rationale to restructure the departments under the department of Public Works, Roads & Transport was aimed at improving delivery of service in a faster and cost effective manner. Mergers have become important to allow organization to operate more effective and efficient through synergy (Henningsson & Carlsson, 2007). There were only 30 (14.71%) respondents who indicated that the merger would not have a direct impact on the level of delivery of service. the response from this segment could have been influenced preconceived ideas respondents had towards the merger of the department. This was the third merger of the two departments. Delivery of service continues to be a challenge despite previous attempt to merge the two departments. There were 15 (7.35%) respondents would did not answer the question. This could have been because of fear of being victimised or because the respondents were simple not privy to the effect of the merger on delivery of service.

Figure 4.17 Functions of the newly formed department well aligned and defined



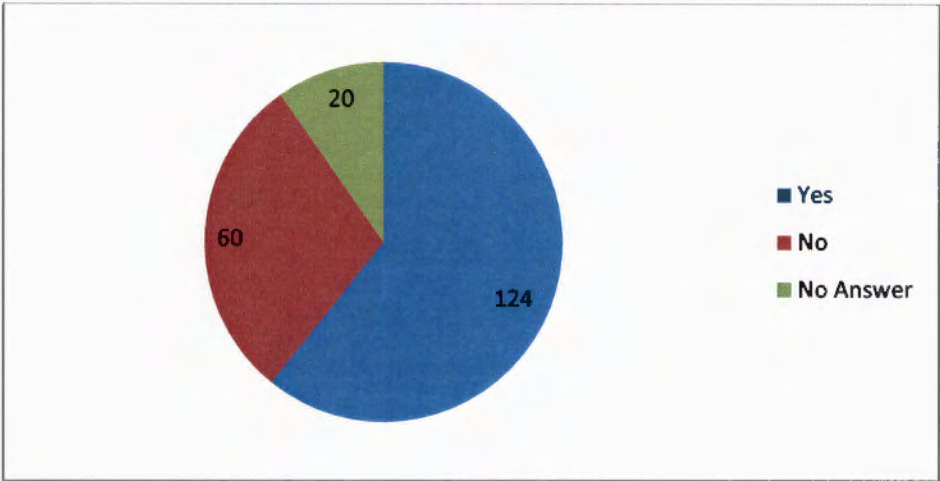
For a merger to be successful a key component is the alignment of the intended merger to the strategic intent of the organisations being merged (Duck, 2001). Alignment of merger intentions to strategy will help identify the strengths and weaknesses of the organisations or departments being merged. This process will eliminate duplications in the newly formed organisations thereby enhance the efficiency of the merger. The majority of the respondents 121 (59.31%) indicated that the functions of the newly formed department were well aligned and defined. There were 62 (30.39%) respondents who indicated that the functions of the newly formed department were not aligned and defined. There were 21 (10.29%) respondents who did not answer the question. This could have been because of fear of victimisation or simple because the respondents did not understand or know the intended alignment of strategy and functions.

Figure 4.18 Functions overlapped in the new department



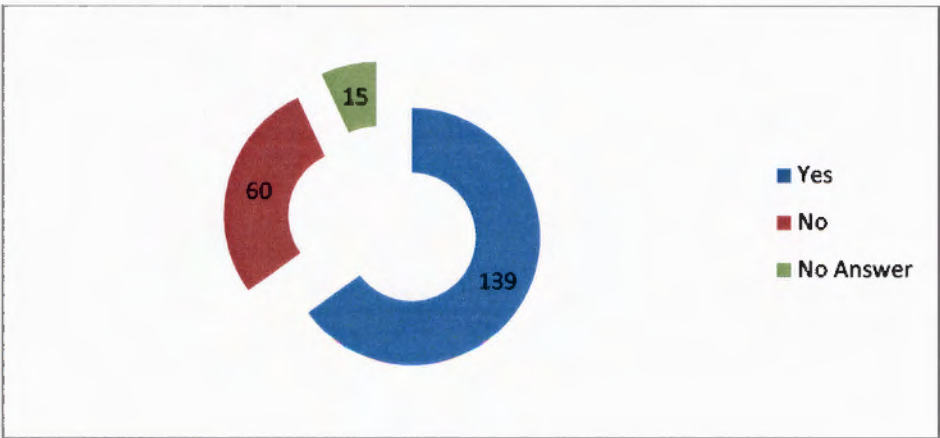
The results indicated that the majority of the respondents 130 (63.73%) stated that functions were not overlapped in the new department. There were 35 (17.16%) respondents who indicated that there were functions in the new department that overlapped. Overlap of functions will create duplication. In the event that there are functions duplicated this will ultimately create conflict and inefficiency. Positions that are overlapped will be restructured to streamline functions, entailing laying off some employee. A number of respondents may have indicated that there was no overlapping of functions in order to protect their current positions in the merged department. There were 29 (14.26%) respondents who did not answer the question. This could have been as a result of fear of victimisation or simple not being aware of the new structure of the merged department.

Figure 4.19 Merger make your future unsafe



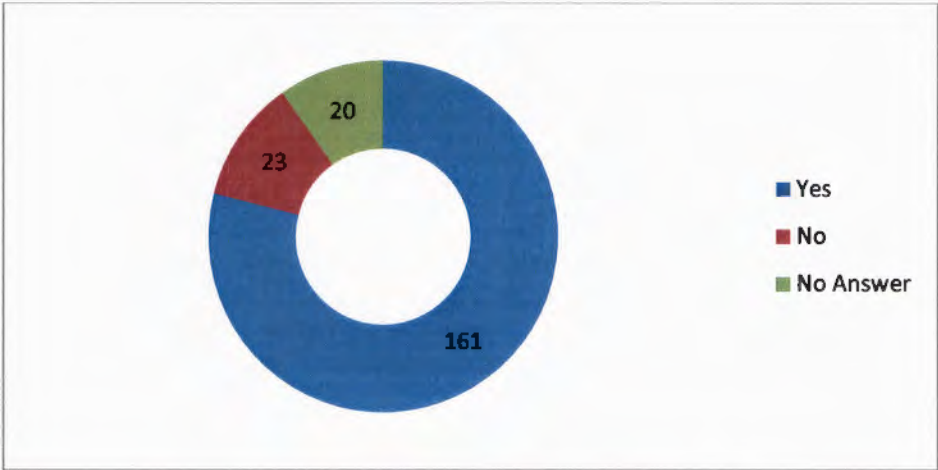
In a merger employees are the victims of the situation. There are many natural emotional reactions to change, which can follow a predictable pattern such as shock, denial, anger, bargaining, depression, testing, and acceptance (Pollack, 2003). The result in Figure 4.19 above shows the majority 124 (60.74%) of the respondents indicated that despite the merger they felt safe about their future in the department. It is expected that this segment of respondent were happy with the merger and that if any lay off were undertaken, they would not be affected. There were 60 (29.41%) respondents who felt the merger would threaten their future in the department. A significant number of the respondents 20 (9.80%) did not answer the question. As explained by Pollack (2003) these respondents could be go through one of the various phases expected in changes brought about by organisational developments like mergers.

Figure 4.20 Uncertainty caused by the merger affecting productivity



Harmonized merger will improve productivity in a manner which would not have been possible without the collaboration or the attainment of improvements at a faster pace. Without synergy, the failure rate of mergers in general is high. Even when the merger is successful the merger may not be a success, prompting a disintegration of the company or organizations involved in the merger (De Man & Duysters, 2003). Mergers are characterized by emotions, fears of losing jobs, having to move locations, changes to conditions of service that might be unfavourable (Kilfoil, & Groenewald, 2005). This may cause uncertainty in many employees and thereby have an effect on productivity. This was confirmed in the results shown in Figure 4.19 above where 139 (68.14%) respondents indicated that they felt uncertainty caused by the merger would affect productivity. There were 60 (29.41%) respondents who felt otherwise. Fifteen (7.35%) respondents did not want to answer the question. It is expected that this segment of respondents had employees who did not want to be victimised by their response or those how were in a 'wait and see position'.

Figure 4.21 New department have the capacity to assimilate former employees of the departments



The majority of the respondents 161 (78.92%) indicated that they believed that the new department would assimilate all employees from the former departments. There were 23 (11.28%) respondents who believed that the new department would not assimilate all employees from the former departments. The result is in line with results shown in Figure 4.19 above. Any overlap of functions will create duplication.

In the event that there are functions duplicated positions that are overlapped will be restructured to streamline functions. This will entail laying off some employee, thereby failure to assimilate all employees. A significant number 20 (9.80%) chose not to answer the question. This could have been as a result of fear of victimisation or simple not being aware of the new structure of the merged department.

4.4 Measures of association

The following section looks at the correlation of the data presented. To ascertain authenticity of the correlation, the mean, standard deviations and p-values have also been discussed in the section. Correlation analysis is a technique that describes the relationship between variables and measures the extent to which a change in one variable is attributed to a change in another. Correlation often measured as a correlation coefficient indicates the strength and direction of a linear relationship between two random variables (Welman & Kruger, 2001: 209-212). S: (n) correlation coefficient, coefficient of correlation, correlation (a statistic representing how closely two variables co-vary; it can vary from -1 (perfect negative correlation) through 0 (no correlation) to +1 (perfect positive correlation). Below is an indication of correlation ranges:

Small	0.1 to 0.3
Medium	0.3 to 0.5
Large	0.5 to 1

For the purpose of this study, correlation that is above the value of 0.5 will be considered to show a strong correlation. The p-value is the probability that the current result would have been found if the correlation coefficient would be zero.

Pearson correlation, assumes that the two variables are measured on at least interval scales, and it determines the extent to which values of the two variables are "proportional" to each other. The value of correlation (i.e., correlation coefficient) does not depend on the specific measurement units used; for example, the correlation between height and weight will be identical regardless of whether inches and pounds, or centimetres and kilograms are used as measurement units. Proportional means linearly related; that is, the correlation is high if it can be summarised by a straight line (sloped upwards or downwards).

The significance level calculated for each correlation is a primary source of information about the reliability of the correlation. As explained before, the significance of a correlation coefficient of a particular magnitude will change depending on the size of the sample from which it was computed. The test of significance is based on the assumption that the distribution of the residual values (i.e., the deviations from the regression line) for the dependent variable y follows the normal distribution, and that the variability of the residual values is the same for all values of the independent variable x. It is impossible to formulate precise recommendations based on those Monte Carlo results, but many researchers follow a rule of thumb that if your sample size is 50 or more then serious biases are unlikely, and if your sample size is over 100 then you should not be concerned at all with the normality assumptions.

Table 4.2 Correlation

		Ethnic	Professi on	Qualific ation	Gende r	Age	Citizens hip	Rural/Ur ban	Qu 1	Qu 2	Qu3	Qu4	Qu5	Qu6
Ethnic	Pearson	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a
	Correlation													
	Sig. (2- tailed)													
N		204	204	204	204	204	204	204	204	204	204	204	204	204
Profess ion	Pearson	. ^a	1	.516**	-.547**	-.539**	.545**	.824**	-.702**	.812**	.792**	.717**	.817**	.375**
	Correlation													
	Sig. (2- tailed)			.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
N		204	204	204	204	204	204	204	204	204	204	204	204	204
Qualific ation	Pearson	. ^a	.516**	1	.245**	.768**	-.534**	-.668**	.863**	-	-	-	-	-.765**
	Correlation													
	Sig. (2- tailed)		.000		.000	.000	.000	.000	.000	.724**	.655**	.583**	.718**	.000
N		204	204	204	204	204	204	204	204	204	204	204	204	204
Gender	Pearson	. ^a	-.547**	.245**	1	.281**	.159*	-.280**	.249**	-	-.177*	-	-	-.237**
	Correlation													
	Sig. (2- tailed)		.000	.000		.000	.023	.000	.000	.212**	.002	.012	.001	.003
N		204	204	204	204	204	204	204	204	204	204	204	204	204
Age	Pearson	. ^a	-.539**	.768**	.281**	1	-.531**	-.678**	.840**	-	-.662**	-.633**	-.711**	-.716**
	Correlation													
	Sig. (2- tailed)		.000	.000	.000		.000	.000	.000	.716**	.000	.000	.000	.000
N		204	204	204	204	204	204	204	204	204	204	204	204	204
Citizens hip	Pearson	. ^a	.545**	-.534**	.159*	-.531**	1	.792**	-.640**	.734**	.709**	.839**	.734**	.294**
	Correlation													
	Sig. (2- tailed)		.000	.000	.023	.000		.000	.000	.000	.000	.000	.000	.000

	N	204	204	204	204	204	204	204	204	204	204	204	204	204
Rural/Urban	Pearson Correlation	. ^a	.824**	-.668**	-.280**	-.678**	.792**	1	-.843**	.901**	.905**	.817**	.899**	.482**
	Sig. (2-tailed)	.	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000	.000
	N	204	204	204	204	204	204	204	204	204	204	204	204	204
Qu 1	Pearson Correlation	. ^a	-.702**	.863**	.249**	.840**	-.640**	-.843**	1	.891**	.853**	.664**	.895**	-.693**
	Sig. (2-tailed)	.	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000
	N	204	204	204	204	204	204	204	204	204	204	204	204	204
Qu 2	Pearson Correlation	. ^a	.812**	-.724**	-.212**	-.716**	.734**	.901**	-.891**	1	.875**	.736**	.989**	.573**
	Sig. (2-tailed)	.	.000	.000	.002	.000	.000	.000	.000		.000	.000	.000	.000
	N	204	204	204	204	204	204	204	204	204	204	204	204	204
Qu3	Pearson Correlation	. ^a	.792**	-.655**	-.177*	-.662**	.709**	.905**	-.853**	.875**	1	.700**	.881**	.515**
	Sig. (2-tailed)	.	.000	.000	.012	.000	.000	.000	.000	.000		.000	.000	.000
	N	204	204	204	204	204	204	204	204	204	204	204	204	204
Qu4	Pearson Correlation	. ^a	.717**	-.583**	-.225**	-.633**	.839**	.817**	-.664**	.736**	.700**	1	.732**	.351**
	Sig. (2-tailed)	.	.000	.000	.001	.000	.000	.000	.000	.000	.000		.000	.000
	N	204	204	204	204	204	204	204	204	204	204	204	204	204
Qu5	Pearson Correlation	. ^a	.817**	-.718**	-.204**	-.711**	.734**	.899**	-.895**	.989**	.881**	.732**	1	.568**
	Sig. (2-tailed)	.	.000	.000	.003	.000	.000	.000	.000	.000	.000	.000		.000
	N	204	204	204	204	204	204	204	204	204	204	204	204	204
Qu6	Pearson Correlation	. ^a	.375**	-.765**	-.237**	-.716**	.294**	.482**	-.693**	.573**	.515**	.351**	.568**	1
	Sig. (2-tailed)	.	.000	.000	.001	.000	.000	.000	.000	.000	.000	.000	.000	
	N	204	204	204	204	204	204	204	204	204	204	204	204	204
Qu7	Pearson Correlation	. ^a	.887**	-.599**	-.444**	-.647**	.700**	.846**	-.721**	.762**	.778**	.835**	.761**	.421**
	Sig. (2-tailed)	.	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	204	204	204	204	204	204	204	204	204	204	204	204	204
Qu8	Pearson Correlation	. ^a	.838**	-.750**	-.419**	-.788**	.717**	.868**	-.821**	.840**	.794**	.887**	.835**	.607**
	Sig. (2-tailed)	.	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	204	204	204	204	204	204	204	204	204	204	204	204	204
Qu9	Pearson Correlation	. ^a	.765**	-.802**	-.305**	-.828**	.789**	.903**	-.888**	.886**	.837**	.868**	.886**	.632**
	Sig. (2-tailed)	.	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	204	204	204	204	204	204	204	204	204	204	204	204	204
Qu10	Pearson Correlation	. ^a	.262**	.143*	.019	-.197**	.460**	.326**	-.098	.249**	.227**	.419**	.246**	-.060
	Sig. (2-tailed)	.	.000	.041	.788	.005	.000	.000	.164	.000	.001	.000	.000	.397

N		204	204	204	204	204	204	204	204	204	204	204	204	204	
Qu11	Pearson Correlation	. ^a	.804**	-.728**	-.210**	-.719**	.731**	.896**	-.890**	.995**	.870**	.733**	.984**	.578**	
	Sig. (2-tailed)	.	.000	.000	.003	.000	.000	.000	.000	.000	.000	.000	.000	.000	
	N	204	204	204	204	204	204	204	204	204	204	204	204	204	
Qu12	Pearson Correlation	. ^a	.530**	-.825**	-.147*	-.525**	.719**	.703**	-.724**	.682**	.617**	.713**	.676**	.472**	
	Sig. (2-tailed)	.	.000	.000	.036	.000	.000	.000	.000	.000	.000	.000	.000	.000	
	N	204	204	204	204	204	204	204	204	204	204	204	204	204	
Qu13	Pearson Correlation	. ^a	.807**	-.652**	-.247**	-.664**	.792**	.970**	-.844**	.901**	.902**	.800**	.909**	.472**	
	Sig. (2-tailed)	.	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	
	N	204	204	204	204	204	204	204	204	204	204	204	204	204	
Qu14	Pearson Correlation	. ^a	.850**	-.794**	-.412**	-.793**	.704**	.923**	-.903**	.906**	.905**	.788**	.904**	.683**	
	Sig. (2-tailed)	.	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	
	N	204	204	204	204	204	204	204	204	204	204	204	204	204	
Qu15	Pearson Correlation	. ^a	.825**	-.714**	-.206**	-.708**	.737**	.903**	-.896**	.984**	.886**	.735**	.995**	.562**	
	Sig. (2-tailed)	.	.000	.000	.003	.000	.000	.000	.000	.000	.000	.000	.000	.000	
	N	204	204	204	204	204	204	204	204	204	204	204	204	204	
Qu16	Pearson Correlation	. ^a	.820**	-.702**	-.165*	-.697**	.729**	.883**	-.889**	.958**	.901**	.708**	.968**	.560**	
	Sig. (2-tailed)	.	.000	.000	.019	.000	.000	.000	.000	.000	.000	.000	.000	.000	
	N	204	204	204	204	204	204	204	204	204	204	204	204	204	
Qu17	Pearson Correlation	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	
	Sig. (2-tailed)	.	.	.	.	.	.	.	.	.	.	.	.	.	
	N	0	0	0	0	0	0	0	0	0	0	0	0	0	
V25	Pearson Correlation	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	
	Sig. (2-tailed)	.	.	.	.	.	.	.	.	.	.	.	.	.	
	N	0	0	0	0	0	0	0	0	0	0	0	0	0	
V26	Pearson Correlation	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	
	Sig. (2-tailed)	.	.	.	.	.	.	.	.	.	.	.	.	.	
	N	0	0	0	0	0	0	0	0	0	0	0	0	0	
V27	Pearson Correlation	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	
	Sig. (2-tailed)	.	.	.	.	.	.	.	.	.	.	.	.	.	
	N	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Qu7	Qu8	Qu9	Qu10	Qu11	Qu12	Qu13	Qu14	Qu15	Qu16	Qu17	V25	V26	V27
Ethnic	Pearson Correlation	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a	. ^a

	Sig. (2-tailed)														
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Profession	Pearson Correlation	.887**	.838**	.765**	.262**	.804**	.530**	.807**	.850**	.825**	.820**	. ^a	. ^a	. ^a	. ^a
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qualification	Pearson Correlation	-.599**	-.750**	-.802**	.143*	-.728**	-.825**	-.652**	-.794**	-.714**	-.702**	. ^a	. ^a	. ^a	. ^a
	Sig. (2-tailed)	.000	.000	.000	.041	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Gender	Pearson Correlation	-.444**	-.419**	-.305**	.019	-.210**	-.147*	-.247**	-.412**	-.206**	-.165*	. ^a	. ^a	. ^a	. ^a
	Sig. (2-tailed)	.000	.000	.000	.788	.003	.036	.000	.000	.003	.019	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Age	Pearson Correlation	-.647**	-.788**	-.828**	-.197**	-.719**	-.525**	-.664**	-.793**	-.708**	-.697**	. ^a	. ^a	. ^a	. ^a
	Sig. (2-tailed)	.000	.000	.000	.005	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Citizenship	Pearson Correlation	.700**	.717**	.789**	.460**	.731**	.719**	.792**	.704**	.737**	.729**	. ^a	. ^a	. ^a	. ^a
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Rural/Urban	Pearson Correlation	.846**	.868**	.903**	.326**	.896**	.703**	.970**	.923**	.903**	.883**	. ^a	. ^a	. ^a	. ^a
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu 1	Pearson Correlation	-.721**	-.821**	-.888**	-.098	-.890**	-.724**	-.844**	-.903**	-.896**	-.889**	. ^a	. ^a	. ^a	. ^a
	Sig. (2-tailed)	.000	.000	.000	.164	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu 2	Pearson Correlation	.762**	.840**	.886**	.249**	.995**	.682**	.901**	.906**	.984**	.958**	. ^a	. ^a	. ^a	. ^a
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu3	Pearson Correlation	.778**	.794**	.837**	.227**	.870**	.617**	.902**	.905**	.886**	.901**	. ^a	. ^a	. ^a	. ^a
	Sig. (2-tailed)	.000	.000	.000	.001	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu4	Pearson Correlation	.835**	.887**	.868**	.419**	.733**	.713**	.800**	.788**	.735**	.708**	. ^a	. ^a	. ^a	. ^a
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu5	Pearson Correlation	.761**	.835**	.886**	.246**	.984**	.676**	.909**	.904**	.995**	.968**	. ^a	. ^a	. ^a	. ^a
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.	.	.	.

N		204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu6	Pearson Correlation	.421**	.607**	.632**	-.060	.578**	.472**	.472**	.683**	.562**	.560**	.a	.a	.a	.a
	Sig. (2-tailed)	.000	.000	.000	.397	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu7	Pearson Correlation	.1	.916**	.883**	.308**	.758**	.640**	.842**	.868**	.765**	.751**	.a	.a	.a	.a
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu8	Pearson Correlation	.916**	.1	.948**	.280**	.840**	.720**	.851**	.938**	.835**	.814**	.a	.a	.a	.a
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu9	Pearson Correlation	.883**	.948**	.1	.272**	.886**	.763**	.906**	.944**	.887**	.862**	.a	.a	.a	.a
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu10	Pearson Correlation	.308**	.280**	.272**	.1	.245**	-.005	.314**	.238**	.250**	.229**	.a	.a	.a	.a
	Sig. (2-tailed)	.000	.000	.000		.000	.949	.000	.001	.000	.001	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu11	Pearson Correlation	.758**	.840**	.886**	.245**	.1	.682**	.897**	.905**	.979**	.953**	.a	.a	.a	.a
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu12	Pearson Correlation	.640**	.720**	.763**	-.005	.682**	.1	.683**	.720**	.676**	.651**	.a	.a	.a	.a
	Sig. (2-tailed)	.000	.000	.000	.949	.000		.000	.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu13	Pearson Correlation	.842**	.851**	.906**	.314**	.897**	.683**	.1	.906**	.914**	.889**	.a	.a	.a	.a
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000	.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu14	Pearson Correlation	.868**	.938**	.944**	.238**	.905**	.720**	.906**	.1	.905**	.894**	.a	.a	.a	.a
	Sig. (2-tailed)	.000	.000	.000	.001	.000	.000	.000		.000	.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu15	Pearson Correlation	.765**	.835**	.887**	.250**	.979**	.676**	.914**	.905**	.1	.973**	.a	.a	.a	.a
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000		.000	.	.	.	.
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu16	Pearson Correlation	.751**	.814**	.862**	.229**	.953**	.651**	.889**	.894**	.973**	.1	.a	.a	.a	.a

	Sig. (2-tailed)	.000	.000	.000	.001	.000	.000	.000	.000	.000					
	N	204	204	204	204	204	204	204	204	204	204	0	0	0	0
Qu17	Pearson Correlation	a	a	a	a	a	a	a	a	a	a	a	a	a	a
	Sig. (2-tailed)	.	.	.	.	.	.	.	.	.	.	.	.	.	.
	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
V25	Pearson Correlation	a	a	a	a	a	a	a	a	a	a	a	a	a	a
	Sig. (2-tailed)	.	.	.	.	.	.	.	.	.	.	.	.	.	.
	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
V26	Pearson Correlation	a	a	a	a	a	a	a	a	a	a	a	a	a	a
	Sig. (2-tailed)	.	.	.	.	.	.	.	.	.	.	.	.	.	.
	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
V27	Pearson Correlation	a	a	a	a	a	a	a	a	a	a	a	a	a	a
	Sig. (2-tailed)	.	.	.	.	.	.	.	.	.	.	.	.	.	.
	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0

a. Cannot be computed because at least one of the variables is constant.

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

*. Correlation is significant at the 0.05 level (2-tailed).

The correlation between Position in the Organisation and Qualifications is .792, a positive and strong correlation between the two variables. This implies that the more qualified a person is the better the position he or she will have in the department. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Qualifications is .547, a positive and medium correlation between the two variables. This implies that the gender is a factor in the positions held in the department. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Age is .539, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as

shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. Most of the target group was made up of directors and managers, invariably their ages were found to be older than would be expected of the younger subordinates just joining the department.

The correlation between Position in the Organisation and Citizenship is .545, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. Citizenship is a factor normally considered in the employment of most government employees.

The correlation between Position in the Organisation and Area Grow Up is .824, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. Most of the respondents targeted grow up in rural areas which at the time was a common factor. As South Africa becomes more urbanised, more people are now being brought up in urban areas.

The correlation between Position in the Organisation and Race is .702, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. Following the Affirmative Action and Black Economic empowerment policies, more people of the black race are being employed in government positions to create equity.

The correlation between Qualification and gender is .245, a weak positive correlation between two variables. According to criteria as set above, those

correlations that are between 0.1 and 0.5 will be considered to have a weak relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. Following the Affirmative Action and Black Economic empowerment policies, more women are being employed in senior government positions, though much still needs to be done.

The correlation between Qualification and age is .768, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. The older employees in the department become the more qualified they become. This arises owing to the fact that if they have to be promoted, they constantly have to improve their qualifications.

The correlation between Position in the Organisation and Citizenship is -.534, a negative correlation between the two variables. This implies that the qualification is not a factor in the citizenship of employees in the department. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Area Grew Up is -.668, a negative correlation between the two variables. This implies that the qualification is not a factor in the citizenship of employees in the department. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Qualification and race is .863, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation

between the two variables and the correlation is significant since the p-value is below 0.05. Most of the employees in the department are black and results show they have done well in elevating their qualification requirements. The government has embarked on skills development through continuous training to alleviate the current skills shortage being faced.

The correlation between Qualification and race is .838, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. The longer a person has served in the department, the better the prospects of occupying senior positions.

The correlation between Years of Service and Qualification is -.750, a negative correlation between the two variables. This implies that the qualification is not a factor in the citizenship of employees in the department. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Qualification and gender is .419, a weak positive correlation between two variables. According to criteria as set above, those correlations that are between 0.1 and 0.5 will be considered to have a weak relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. Following the Affirmative Action and Black Economic empowerment policies, more women are being trained for senior government positions, though much still needs to be done.

The correlation between Proper Merger Implementation and Gender is .765, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced

that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. Most of the directors and managers were of the opinion that the merger was implemented properly.

The correlation between Proper Merger Implementation and Qualification is -.802, a negative correlation between the two variables. This implies that the qualification is not a factor in the consideration of the merger implementation of employees in the department. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. this implies that the qualification of the respondents was not a factor in the determination of the implementation of the merger.

The correlation between Proper Merger Implementation and Gender is .828, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. Most of the respondents were of older age. This implies that the age of the respondents was a factor in determining the implementation of the merger.

The correlation between Proper Merger Implementation and Citizenship is .786, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. Most of the respondents were of older age. This implies that the citizenship of the respondents was a factor in determining the implementation of the merger.

The correlation between Proper Merger Implementation and Grew Up is .903, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01

confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. This implies that the area where the respondents grew up was a factor in determining the implementation of the merger.

The correlation between Qualification and gender is .460, a medium positive correlation between two variables. According to criteria as set above, those correlations that are between 0.3 and 0.5 will be considered to have a medium relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Qualification and gender is .419, a medium positive correlation between two variables. According to criteria as set above, those correlations that are between 0.3 and 0.5 will be considered to have a medium relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Proper Merger Implementation and Grew Up is .804, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. This implies that the position was a factor in determining the merger process and procedures.

The correlation between Proper Merger Implementation and Qualification is $-.728$, a negative correlation between the two variables. This implies that the qualification is not a factor in the consideration of the processes and procedures followed in the merger of the department. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since

the p-value is below 0.05. This implies that the qualification of the respondents was not a factor in the determination of the merger process and procedures.

The correlation between Proper Merger Implementation and Grew Up is .719, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Proper Merger Implementation and Grew Up is .731, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Proper Merger Implementation and Grew Up is .703, a strong positive correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Citizenship is .530, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Proper Merger Implementation and Qualification is -.825, a negative correlation between the two variables. This implies that the qualification

is not a factor in the consideration of the official attempt made to evaluate the outcomes of the merger. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. This implies that the qualification of the respondents was not a factor in the determination of the implementation of the merger.

The correlation between Position in the Organisation and Citizenship is .525, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. Age is a factor normally considered in the employment of most government employees.

The correlation between Position in the Organisation and Citizenship is .807, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Citizenship is .652, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Proper Merger Implementation and Qualification is -.664, a negative correlation between the two variables. This implies that the qualification is not a factor in the consideration of the official attempt made to evaluate the outcomes of the merger. This is at significant at the 0.01 confidence level, as shown by the p-value of $<.01$. Therefore it can be deduced that there is significant

linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. This implies that the age of the respondents was not a factor in the determination of the victimised by the merger.

The correlation between Position in the Organisation and Citizenship is .792, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Citizenship is .970, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Citizenship is .825, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Proper Merger Implementation and Qualification is -.714, a negative correlation between the two variables. This implies that the qualification is not a factor in the consideration of the official attempt made to evaluate the outcomes of the merger. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05. This implies that the age of the qualification was not a factor in the determination of the level of delivery of service in Mafikeng.

The correlation between Position in the Organisation and Citizenship is .708, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Citizenship is .737, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Citizenship is .903, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Citizenship is .820, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Proper Merger Implementation and Qualification is -.702, a negative correlation between the two variables. This implies that the qualification is not a factor in the consideration of the official attempt made to evaluate the outcomes of the merger. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant

linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Citizenship is .697, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Citizenship is .729, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

The correlation between Position in the Organisation and Citizenship is .883, a positive and strong correlation between two variables. According to criteria as set above, those correlations that are above the absolute value of 0.5 will be considered to have a strong relationship. This is at significant at the 0.01 confidence level, as shown by the p-value of <.01. Therefore it can be deduced that there is significant linear correlation between the two variables and the correlation is significant since the p-value is below 0.05.

4.6 Conclusion

The chapter provided results of the research using statistical methods. Tables, graphs, and statistics have been used to give the results of the survey. The data has also been presented as part of the chapter.

There is a need for management to assure the employees that there won't be any casualties suffered due to the merger. The response from the questionnaires shows that most of the people feel unsafe and they are uncertain about their future in the new department. It is also clear that the merger has a direct impact on service delivery and a high rate of problems in delivery of service in Mafikeng.

Even though the merger statistics proved that the merger was implemented correctly and objectives known to most of the employees, there is still a need to evaluate the process and have an idea of how people feel especially at the lower levels. This could somehow address the uncertainty among members of the staff.

The following chapter looks at the recommendations arranged in the order of significance to different stakeholders. The aim has been to guarantee easy comprehension of the recommendations, and to add value to existing literature by identifying gaps where new and further research can be conducted.

Chapter Five

Conclusion and Recommendation

5.1 Introduction

The previous chapters looked at the study on the merger of the department of Public Works, Roads & Transport and its Impact on Delivery of Service in Mafikeng. In this chapter, a summary of the study of the study is provided.

The purpose of this study was to establish the impact the merger of the department of Public Works with the department of Roads and Transport will have of the delivery of service in Mafikeng. The study also looks at the challenges faced with the implementation of the merger.

The chapter consolidates the findings of the research, derived through analyzing and interpreting of statistical data, which has been discussed in the previous section. The research questions pertaining to the merger of the department of Public Works, Roads & Transport and its Impact on Delivery of Service in Mafikeng are answered.

5.2 Summary of the Study

This study sought to examines the merger of the department of Public Works, Roads & Transport and its impact on delivery of service in Mafikeng. This is the third merger of the two departments, where in the past the two departments have twice past been merged and split before. The merger resulted in the obstruction of smooth delivery of service.

The study revealed that the merger has made it impossible for the department to meet its set objectives. The merger has also resulted in the confusion and uncertainty amongst employees due to problems caused as a result of the absence of structural cooperation and coordination. These problems faced by the department have impeded on the level of delivery of service in Mafikeng.

The following section looks at the response to the research questions and offers discussions relating to the questions. This is followed by sections that look at managerial guidelines, the limitations of the study and finally gives a proposal for future research.

5.3 Response to Research Questions

The main findings of this research in relation to each of the research questions will now be discussed. Each of the questions is followed by a discussion of the findings relating to the question.

Has the merger of the department been implemented effectively to allow the various phases of change that can prepare generally expected characteristic responses from staff during a merger?

During a merger, staff can feel overstretched and overburdened (Muller, 2006). It is important to understand how the merger processes unfolds and the stress factors that are brought about by the change. The human emotional and behavioural matters form part of the three essential essentials required for successful change in a merger. Strategy and execution of the merger are vital elements. Change management in merger situations is a quantum leap away from managing a new production project or changing systems within an organization. The sensitivity to these different elements goes beyond that of other change situations (Thwala, 2006). Transforming is a very uncertain and unpredictable process that requires a new leadership approach (Anderson & Anderson, 2004).

Section 4.8 shows out of the 204 respondents, the majority 123 (60.24%) indicated that the merger of the department was properly conducted while 61 (29.90%) indicated that the merger was not conducted properly. Section 4.2 shows the highest number 115 (56.37%) of respondents involved in the study was made up of directors and managers. The people directly involved in the implementation of the merger are expected to have come from the segment of directors and managers. The high number of affirmative response to the question could have been biased by directors and managers who felt obliged to indicate that the implementation of the merger was a success. This is confirmed by the significant number 61 (29.90%) of the respondents, who felt the merger was not conducted properly. It is expected that this segment, who felt the merger was not implemented properly consisted of subordinate employees who had no direct involvement with the implementation of the merger. Ultimately it is these subordinate employees who are adversely affected if the merger is not implemented properly.

The result shown above in Section 4.8 is consistent with the result found in section 4.9. In Section 4.9, the majority of the respondents 135 (66.18%) indicated that they understood the objectives of the merger. Here again it may appear that most of the respondents who indicated a clear understanding of the merger were employee who may have been involved in the implementation of the merger strategy. It therefore can be assumed that this segment of respondents was made up of directors or managers. There were 60 (29.41%) respondents who indicated that they did not understand the objective of the merger. It may be assumed that this segment of respondents was made up of employees who were not directly involved in the formulation of the merger strategy. These could have been mostly subordinate employees.

Section 4.10 confirms the assertion of bias of the results by directors and managers where the results show the majority 169 (82.84%) of the respondents indicated that they were officially informed about the process and procedures of the merger. A significant number of respondents 35 (17.16%) indicate that they were not officially informed of the process and procedures of the merger. The latter segment could have been made up of subordinate employees who were not directly involved with the implementation of the merger. Lastly, results in section 4.11 correspond with the forgoing results. The majority 124 (60.78%) of the respondents were aware of an official attempt to evaluate the outcomes of the merger. There were 60 (29.41%) indicated that they were not aware of any attempt to evaluate the outcome of the merger

The results discussed above indicated there were challenges faced with regards the merger being implemented effectively. Challenges faced could not have allowed the various phases of change to prepare staff in the expected characteristic responses of a merger. This is revealed by the significant number of respondents who negatively responded to questions pertaining to standard merger procedure implementation. It is expected that this small but significant number of respondents was made up of subordinate employees who were not directly involved with the implementation of the merger.

Will the merger affect the level of delivery of service conducted by the former separate departments?

There is a widely acknowledged need for housing and municipal infrastructure (water supply, sewerage, streets, storm water drainage, electricity, refuse collection). The lack of infrastructure is a problem in both urban and rural areas (Thwala, 2006). Lack of institutional and managerial capacity at the local level seems to be a constraint on delivering basic infrastructure services. The country's infrastructure quality lags those of other countries (Fourie, 2006). The rationale to restructuring the department of Public Works and the department of Roads and Transport in a merger was to improve delivery of service, faster and cost effective. Mergers have become important to allow organization to operate more effective and efficient through synergy (Henningsson & Carlsson, 2007).

Overt resistance to change manifests in reduced productivity. Other effects on productivity may include strikes, inferior work and even sabotage. Covert resistance may result in reduced productivity often expressed by increased tardiness and absenteeism, requests for transfers, resignations, loss of motivation, lower morale and higher levels of accidents and work errors (Arnolds, 2005).

Results in Section 4.1 revealed there are service delivery problems being faced in Mafikeng. The majority 98 (48.04%) of the respondents indicated they strongly agreed, while 56 (27.45%) respondents who agreed. For the merger to address this lack of effective deliver of service, the merged department will require synergy. Parties to a merger with harmonizing abilities can combine their specific strengths and enhance productivity that each party on its own would not have been able to create (Gerpott, 1995 as *cited* in De Man & Duysters, 2003). Section 4.14 shows that the majority of the respondents 147 (72.06%) understand the merger had the ability to harmonize the two departments and thereby enhance productivity. Of these respondents, 81 (39.71%) 'strongly agreed' and 66 (32.35%) 'agreed'. The concept of synergy is essential to understand the logical reasons why organizations engage in mergers or acquisitions. Synergy in this context is defined as what is occurring when two units can be run more than efficiently and/or more effectively together apart (Henningsson & Carlsson, 2007).

Results in section 4.15 confirmed the need for the merger to enhance delivery of service. Most of the respondents 159 (77.94%) indicated that the merger had a

direct impact on the level of delivery of service. The rationale to restructure the departments under the department of Public Works, Roads & Transport was aimed at improving delivery of service in a faster and cost effective manner. Mergers have become important to allow organization to operate more effective and efficient through synergy (Henningsson & Carlsson, 2007).

The results above confirm the need to merge the two departments. The merger will not affect the level of delivery of service conducted by the former separate departments. The merger will ensure cost effective and efficient delivery of service synergy of the former departments. The configuration of the Department of Public Works, Roads and Transport, was informed by the new administration's quest to deliver services to the people better, faster and cost effectively because it is perceived that the two department's functions are closely related (Public Works, 2010).

Will the merger of the department lead to duplication of functions and what will this entail?

Harmonized merger will improve productivity in a manner which would not have been possible without the collaboration or the attainment of improvements at a faster pace (De Man & Duysters, 2003). Problems may ensue during a merger through the presence of areas of conflict between the organizations being merged. This can constitute one of the main causes of failure of a merger (Carretta, *et al.*, 2007). Initiatives by management to facilitate social interaction and work-related collaborations among the staff members of the merging institutions could bear fruit in terms of building a new team spirit and even enhance organizational commitment (Arnolds, 2005).

Section 4.17 revealed that the majority of the respondents were of the view that there will be no duplication of functions in the newly formed department. The results indicated that the majority of the respondents 130 (63.73%) stated that functions were not overlapped in the new department. There were 35 (17.16%) respondents who indicated that there were functions in the new department that overlapped. Overlap of functions will create duplication. In the event that there are functions duplicated this will ultimately create conflict and inefficiency.

Section 4.17 findings were affirmed by results in section 4.14 where 147 (72.06%) respondents, indicated the merger had the ability to harmonize the two departments and thereby enhance productivity. Of these respondents, 81 (39.71%) 'strongly agreed' and 66 (32.35%) 'agreed'. The concept of synergy is essential to understand the logical reasons why organizations engage in mergers or acquisitions. Synergy in this context is defined as what is occurring when two units can be run more than efficiently and/or more effectively together apart ((Henningsson & Carlsson, 2007).

The results above indicate the merger of the department will not lead to duplication of functions and what will this entail? Duplication in the department has the ability to create conflict and inefficiency. This can lead to the whole process of the merger collapsing and failing.

Will the merger result to redundant staff and will this result in uncertainty amongst employees?

Mergers are characterized by emotions, fears of losing jobs, having to move locations, changes to conditions of service that might be unfavourable (Kilfoil, & Groenewald, 2005). Given the magnitude of uncertainty during a merger, some people get mentally and emotionally triggered with feelings of fear, anger, and confusion (Anderson & Anderson, 2004). Restructuring brought about by mergers, in an organization causes uncertainty and anxiety among employees (Clark & Koonce, 1995; Robbins, 1998 as cited in Arnolds, 2005). Devine and Hirsh (2001) confirm intense pressure, uncertainty, strong anxiety/paranoia, loss of direction and focus as a key characteristics and responses by employees in a merger.

Section 4.12 shows a mixed feel amongst respondents with regards to being victimized by the merger. The results showed, 96 (47.06%) respondents indicated that they had been victimized by the merger. These respondents indicated they had experienced feelings of shock, denial, anger or depression. There are many natural emotional reactions to change, which can follow a predictable pattern such as shock, denial, anger, bargaining, depression, testing, and acceptance (Pollack, 2003). On the other hand, there were 100 (49.02%) respondents who did not feel victimized by the merger. The close tie of the two results suggests a mixed reaction to the merger. The results suggest respondents who felt victimized did not benefit

from the merger, while those who indicated they were not victimized are the ones who stood to benefit from the merger.

In Section 4.18 the majority 124 (60.74%) of the respondents indicated that despite the merger they felt safe about their future in the department. It is expected that this segment of respondent were happy with the merger and that if any lay off were undertaken, they would not be affected. There were 60 (29.41%) respondents who felt the merger would threaten their future in the department.

In Section 4.19 139 (68.14%) respondents indicated that they felt uncertainty caused by the merger would affect productivity. There were 60 (29.41%) respondents who felt otherwise. Mergers are characterized by emotions, fears of losing jobs, having to move locations, changes to conditions of service that might be unfavourable (Kilfoil, & Groenewald, 2005). Section 4.20 showed the majority of the respondents 161 (78.92%) indicated that they believed that the new department would assimilate all employees from the former departments. There were 23 (11.28%) respondents who believed that the new department would not assimilate all employees from the former departments.

The mixed results shown above indicate a general feeling of uncertainty among employees. The merger may result in redundant staff and this has resulted in uncertainty amongst employees. You always expected casualties of some kind in a merger of a magnitude of the department. The feeling of uncertainty by some employees may be justified.

5.4 Managerial Guidelines

From the results of this study the following guidelines can be given to management of the department:-

- Develop a policy that will allow staff retention to control the staff turnover, and loss of expertise as well as experienced and skilled personnel.
- The existing positions to be advertised to provide opportunities and attract the marketable skills and professional ethos required by the public service and eradicate the risk of a brain drain. This would compound the severe shortage of skills experienced by the Government.

- There should be a revised organisational structure put in place to permit a career development to people in IT. This will allow them to explore their knowledge in higher positions to enhance the IT service delivery in the North West Provincial Government.
- The higher one progresses in the organisational structure, the better the incentives become. Staff members seek employment offering better incentives to motivate and increase their morale.

5.5 Limitations

The issue of the impact of the merger of the department of Public Works, roads & Transport studied under this research has been limited to service delivery challenges faced in Mafikeng. This study has therefore only focused on Mafikeng and the effect of the merger to other areas has not been considered within the scope of this research.

5.6 Future Research

This study leaves some unanswered questions, which have been suggested for future research.

- Specific case study on companies and organizations that show exceptional alignment with merger processes and procedures
- Decentralization of functions of the department of Public Works, Roads & Transport
- The total cost of the merger of Government institutions



5.7 Conclusion

The chapter discussed the purpose of the study. Each research question has been discussed highlighted followed by a discussion on the findings relating to the questions. The chapter discussed the limitations, ending with recommendations for future research.

There were challenges faced with regards the merger being implemented effectively. Challenges faced did not allow the various phases of change to prepare staff in the expected characteristic responses of a merger. The merger will have a positive effect on the level of delivery of service conducted by the former separate

departments. The merger will contribute to the cost effective and efficient delivery of service. The mixed results shown above indicate a general feeling of uncertainty among employees. The merger may result in redundant staff and this has resulted in uncertainty amongst employees. You always expected casualties of some kind in a merger of a magnitude of the department. The feeling of uncertainty by some employees may be justified.

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Appendix A: Matrix

Theme #		1	2	3	4	5	6	7	8	9	10	11	12
Source #	Sources/ Themes	Concepts and definitions	Functions of the Department of Public Works	Functions of the Department of Public Works	Functions of the Department of Roads and Transport	Common Elements of the Merged Departments	Delivery of Service Challenges (Roads, Transport and Infrastructure)	Government Policy and Mandate on Delivery of Service	Effect of the Merger on Delivery of Service/productivity	Departmental merger Procedure	Merger Processes in Other Organisations	Learning from International Perspective of Mergers	Future and Development of Mergers
1	Sustainability and infrastructure planning in South Africa: a Cape Town case study.						1	1					
2	An Alderfer perspective of the higher education restructuring in South Africa								1		1	1	
3	Discursive tensions in South African Higher Education										1		
4	Surviving Post-merger 'Culture Clash': Can Cultural Leadership Lessen the Casualties?								1		1		

An
Analysis
of the
New
Perspectiv
e on
Amalgam
ation in
Australian
Local
Governm
ent

5

The
Impact of
Leadershi
p and
Change
Managem
ent
Strategy
on
Organizati
onal
Culture
and
Individual
Acceptanc
e of
Change
during a
Merger

6

Collaborat
ion and
Innovatio
n: a
review of
the
effects of
mergers,
acquisitio
ns and
alliances
on
innovatio
n,

7

8

Financi
ng of
road
maintena
nce in
sub-
Saharan
Africa;
Reforms
and
progress
towards
second
generatio
n road

				1		1				1	
							1				1
1							1				
			1								1

9	funds Employment creation through the provision of low cost housing in South Africa.		1								
10	The CEO in Post- Merger Situations : An Emerging Theory on the Managem ent of Multiple Realities.						1		1		
11	Bless, C.I. & Higson - Fundame ntals Of social research methods	1									
12	Resear ch Method ology for the Busine ss and Admini strative Science.	1									
13	Merger s under the micros cope						1				
14	Assessi ng Transp ortation Contrib utions to the Econo mic Performa nce of Developin g Countries.			1							

15	Mergers and change management at the micro level: A Case Study									1	1	1	
16	The change monster: The human forces that fuel or foil corporate transformation and change.								1		1		
17	Leading organizational change.								1		1		
18	. Merger and acquisition announcements as corporate wedding narratives.								1	1			
	M&A and post merger integration in banking industry: the missing link of corporate culture									1	1		1
19	Mergers and managers: what's needed for both to work? Reflections on a merger of two higher education libraries in KwaZulu-Natal												
20									1		1		1

21	Reaping the benefits of mergers and acquisitions: in search of the golden fleece.						1				
22	The development and implementation of a Bridge Management System for the Provincial Government of the Western Cape.			1							
23	Smoothing post merger integration: The McKinsey Quarterly:								1		
24	Towards a relevant and sustainable R&D agenda for transport and transport infrastructure in South Africa			1	1						

25	Perkins, P., Fedderke, An analysis of economic infrastructur e investment in South Africa				1							
26	State of the Nation Address of the President of South Africa				1							
27	Henningsson, S & The Dynamic Relation Between IS Integration and the Merger and Acquisition Process:				1							
28	Navigating Complexity: The Dynamicsof Organisation al Culture during a Merger,				1		1		1		1	
29	Institutional mergers in higher education: Lessons from international experience.									1		
30	Organisation al behaviour on the Pacific Rim.						1					

31	Foundations of management						1				
32	Eliciting and analysing employees' expectations of a merger.										1
33	The relationship between organizational climate and organizational culture.										
34	Overview of public transport policy developments in South Africa,			1		1					
35	Urban Renewal through Labor-Intensive Construction Technology in South Africa: Problems and Potentials		1	1		1					1
36	Some policy proposals for future infrastructure investment in South Africa	1				1	1				
37	The improvement of public transport operational performance : the case for Gauteng			1		1	1				

	province: Department of civil engineering, UCT, Cape Town.										
38	an implementati on matrix for mergers and acquisitions						1		1		
39	Waiting for the Inevitable: Social Processes Preceding a Merger in the New Zealand Tertiary Sector								1	1	1
40	Team Building with the SCOR Model								1	1	
41	Th role of R&D in transport infrastructur e in south africa									1	1
42	The impact of inadequate road environment on the safety of non- motorised road users			1		1	1				

43	The effect of mergers and acquisitions: Focus on employee job satisfaction of former employees								1	1		
	Public Interest and Merger Controls in South Africa: The Role of Public Interest in Merger Evaluations and how Efficiency-Driven Principles are Reconciled with Public Interest Considerations								1	1		
44	Access to relative space and quality of life for peri-urban communities of smaller towns in South africa											
				1	1	1						
45	Forecasting household car ownership in South Africa: alternative models and future trends											
					1	1						
46												

47	Six Trends Transforming Government providing cutting-edge knowledge to government leaders					1	1					
48	Constraints to Effective Fiscal Decentralization in Peru										1	1
49	The Information Content of Deal Initiation in Mergers and Acquisitions										1	1
50	Competition Policy in South Africa: Towards Development?					1	1					

Appendix B: Questionnaire construction

Research Questions	Survey Questions	Variable(s) and or Relationships measured	Statistical Test
Has the merger of the department been implemented effectively to allow the various phases of change that can prepare generally expected characteristic responses from staff during a merger?	1.1 Was the merger of the department implemented properly?	Ordinal/Nominal Variables 1.1 Yes/No	Descriptive statistics, frequency tables, bar charts
	1.2 Do you understand the objectives of the merger?	1.2 Yes/No	
	1.3 Was the merger process and procedures made known officially made known to you?	1.3 Yes/No	Descriptive statistics, frequency tables, bar charts
	1.4 Was any official attempt made to evaluate the outcomes of the merger communicated to you?	1.4 Yes/No	Descriptive statistics, frequency tables, bar charts
	1.5 Do you feel victimised by the merger situation suffering from shock, denial, anger or depression?	1.5 Yes/No	Descriptive statistics, frequency tables, bar charts Measures of association – Phi, Crammrs V Convert nominal to ratio 0,1,2,3,4 & do correlation co-efficient testing with personal info – Pearson & Spearman Rho Normal & z-distribution

To what extent will the merger affect the level of delivery of service conducted by the former separate departments?	2.1 Can the merger have the impact to allow the department to operate more effective and efficient?	2.1 Yes/No	Descriptive statistics, frequency tables, bar charts
	2.2 Are there service delivery problems currently being experienced in Mafikeng?	2.2 Yes/No	Descriptive statistics, frequency tables, bar charts
	2.3 Will the merger harmonize abilities, strengths and enhance productivity of the newly formed department?	2.3 Yes/No	Descriptive statistics, frequency tables, bar charts
	2.4 Will the merger have a direct impact on the level of delivery of service?	2.4 Yes/No	Descriptive statistics, frequency tables, bar charts Descriptive statistics, frequency tables, bar charts Measures of association – Phi, Cramers V Convert nominal to ratio 0,1,2,3,4 & do correlation co-efficient testing with personal info – Pearson & Spearman Rho Normal & z-distribution

Will the merger of the department lead to duplication of functions and what will this entail?	3.1 Are the functions of the newly formed department well aligned and defined?	3.1 Yes/No	Descriptive statistics, frequency tables, bar charts
	3.2 Are your functions overlapped in the new department?	3.2 Yes/No	Descriptive statistics, frequency tables, bar charts
	3.3 Does will the new department assimilate employee from the former departments?	3.3 Strongly Disagree, Disagree, Strongly agree, Agree, Don't know	Normal and distribution curve, bar charts, frequency tables
	3.4 Does the merger have the ability to create the necessary synergy?	3.4 Yes/No	Descriptive statistics, frequency tables, bar charts Descriptive statistics, frequency tables, bar charts Measures of association – Phi, Crammrs V Convert nominal to ratio 0,1,2,3,4 & do correlation co-efficient testing with personal info – Pearson & Spearman Rho Normal & z-distribution

Will the merger result to redundant staff and will this result in uncertainty amongst employees?	4.1 Does the merger make your future feel unsafe?	4.1 Yes/No	Descriptive statistics, frequency tables, bar charts
	4.2 Is the uncertainty caused by the merger affecting productivity?	4.2 Yes/No	Descriptive statistics, frequency tables, bar charts
	4.3 Does the new department have the capacity to assimilate former employees of the departments?	4.3 Yes/No	Descriptive statistics, frequency tables, bar charts
	4.4 Are your functions overlapped in the new department?	4.4 Yes/No	Descriptive statistics, frequency tables, bar charts Measures of association – Phi, Crammrs V Convert nominal to ratio 0,1,2,3,4 & do correlation co-efficient testing with personal info – Pearson & Spearman Rho Normal & z-distribution

FOR OFFICE USE ONLY: Respondent Code: _____

VOLUNTARY QUESTIONNAIRE FOR DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT EMPLOYEES
“Public Works and Roads & Transport Departments merger and its Impact on Delivery of Service in Mafikeng”
Graduate School Of Business and Government Leadership
North
Mafikeng Campus of the North-West University
Researchers: Ms Patricia Ikanyeng Lekgetho
Supervisor: Prof S Lubbe

Note to the respondent

- We need your help to understand the impact of the merger of the departments of Public Works and the department of Roads & Transport on delivery of service in Mafikeng.
- Although we would like you to help us, you do not have to take part in this survey.
- If you do not want to take part, just hand in the blank questionnaire at the end of the survey session.
- What you say in this questionnaire will remain private and confidential. No one will be able to trace your opinions back to you as a person.

The questionnaire has three parts:
Part 1 asks permission to use your responses for academic research.
Part 2 asks general personal particulars like your age, gender and home language.
Part 3 asks about specific questions related to the merger and its impact on delivery of service in Mafikeng.

How to complete the questionnaire

1. Please answer the questions as truthfully as you can. Please be sure to read and follow the directions for each part. If you do not follow the directions, it will make it harder for us to do our project.
2. We are only asking you about things that you feel comfortable telling us about. If you don't feel comfortable answering a question, you can indicate that you do not want to answer it. For those questions that you do answer, your responses will be kept confidential.
3. You can mark each response by making a tick or a cross, or encircling each appropriate response with a PEN (not a pencil), or by filling in the required words or numbers.

Thank you very much for filling in this questionnaire.

Part 1: Permission to use my responses for academic research	
I hereby give permission that my responses may be used for research purposes provided that my identity is not revealed in the published records of the research.	
Initials and surname _____	Postal address: _____
_____	_____
_____	Postal code: _____
Contact numbers: Home: _____	Cell: _____

No.	PART 2: GENERAL PERSONAL PARTICULARS <i>Please tell us a little about yourself</i> Please mark only ONE option per question below.		PART 3: DEPARTMENT MERGER ITEMS
1.	I am: ☐ African ☐ Coloured ☐ Indian ☐ White ☐ a member of another ethnic group: _____ ☐ I do not want to answer this question	9.	Was the merger of the department implemented properly? ☐ Yes ☐ No
2.	I am: ☐ Director ☐ Manager ☐ Supervisor ☐ Subordinate ☐ I do not want to answer this question	10.	Do you understand the objectives of the merger? ☐ Yes ☐ No
3.	I have: ☐ a post graduate degree ☐ a degree ☐ diploma ☐ Matric ☒ I do not want to answer this question	11.	Was the merger process and procedures made known officially made known to you? ☐ Yes ☐ No
4.	I am a: ☐ Female ☐ Male ☐ I do not want to answer this question	12.	Was any official attempt made to evaluate the outcomes of the merger communicated to you? ☐ Yes ☐ No
5.	I am _____ years old. ☐ I do not want to answer this question	13.	Do you feel victimised by the merger situation suffering from shock, denial, anger or depression? ☒ Yes ☐ No
6.	I grew up: ☐ in South Africa ☐ Abroad ☐ I do not want to answer this question	14.	Can the merger have the impact to allow the department to operate more effective and efficient? ☒ Yes ☐ No
7.	I grew up in: ☐ a rural area ☐ an urban area ☐ I do not want to answer this question	15.	Are there service delivery problems currently being experienced in Mafikeng? ☐ I strongly agree ☐ I agree ☐ I disagree ☐ I strongly disagree ☒ I do not want to answer this question

8.	How many years of service do you have in the department? ☐ 1-5 years ☐ 6-10 years ☐ 11-15 years ☐ More than 16 years	16.	Will the merger harmonize abilities, strengths and enhance productivity of the newly formed department? ☐ I strongly agree ☐ I agree ☐ I disagree ☐ I strongly disagree ☒ I do not want to answer this question
17.	Will the merger have a direct impact on the level of delivery of service? ☒ Yes ☐ No	22.	Does the merger make your future feel unsafe? ☒ Yes ☐ No
18.	Are the functions of the newly formed department well aligned and defined? ☒ Yes ☐ No	23.	Is the uncertainty caused by the merger affecting productivity? ☒ Yes ☐ No
19.	Are your functions overlapped in the new department? ☒ Yes ☐ No	24.	Does the new department have the capacity to assimilate former employees of the departments? ☒ Yes ☐ No
20.	Will the new department assimilate all employees from the former departments? ☒ Yes ☒ No	25.	Are your functions overlapped in the new department? ☒ Yes ☐ No
21.	Does the merger have the ability to create the necessary synergy? ☐ I strongly agree ☐ I agree ☐ I disagree ☐ I strongly disagree ☐ I do not want to answer this question		