

The Impact of Perception of Organizational Transfer Climate Factors and Trainees' Characteristics on Training Transfer: The Context of Mergers and Acquisitions

Anjali Bansal¹

Mahima Thakur, PhD¹

Abstract

This empirical investigation attempts to study the correlates of training transfer in the post-merger phase. Four Organizations (N= 123) were selected where merger or acquisition had taken place in the recent past and had undertaken intense training program for employees during the post merger phase. The results indicate that there is a strong relationship between the organizational as well as individual factors and training transfer. The structural path modeling was used to determine the fit of a mediated effects model of how the variables would affect training transfer. The emerging organizational climate correlates of effective training transfer were- perception of organizational justice, perception of integration synergy and perception of quality of training while the individual correlates were – Training Transfer Implementation Intentions and Psychological Empowerment. The data were subjected to a stepwise regression analysis and structural path modeling. The emerging predictors of training transfer were training transfer implementation intention and psychological empowerment. This study has implications for practitioners and academicians. It would help chalk out more effective frameworks of training during Mergers and Acquisitions (M&A).

Objective of the Study

The objective of this empirical investigation is to develop a framework of Training Transfer and its related factors and predictors in the context of Mergers and Acquisitions.

Introduction

Marks and Mirvis, (2001) iterate that M&A have become a popular strategy for companies to consolidate and grow. But many researches (Mitleton and Kelly, 2006; and Weber et.al, 2010) suggest that despite the strategic gains of M&A like, increase in market share, business unit integration, market extension, product extension their success is not assured. Bragg, (2001); Carelton and Lineburry, (2004); Valant, (2008) argue that the insufficient pre, and post acquisition integration strategies is the cause of failure of more than 50% M&A. In the absence of proper and relevant integration strategy employees tend to feel demotivated and dissatisfied. Employees need training to meet the needs of new positions being created and of replacements of those who leave as a result of the high turnover that follows mergers. To make the integration a success, employees from both the companies expected to be involved in the merger must learn about the other company and its assets, people, structure, culture, HR practices, their own roles in transferring and coordinating specific resources across the two companies, the roles of others, and what the deliverables will be throughout the integration process.

¹ Doctoral Student, Faculty of Management Studies, University of Delhi, Delhi- 110007 (India)

¹ Assistant Professor, Faculty of Management Studies, University of Delhi, Delhi- 110007 (India)

Kelly (1982) suggests that organizational expenditures for training and development reportedly exceed \$100 billion annually with the expectation that their training investments will improve the employees' productivity. While as suggested by Georgenson, (1982) only 10% of this investment results in behavioral change back on the trainees' jobs.

The purpose of this study to propose a model that links the following two factors: the new organizational transfer climate after merger and trainee characteristics: organizational transfer climate factors include employees' perception about organizational justice towards the employees of acquired organization, perception of integration synergy between the two organizations, and the perception of quality of training provided to the employees. The factors pertaining to trainee characteristics include their psychological empowerment and training transfer implementation intention. This paper develops the constructs in these two areas to measure the training transfer in the context of M&A. Earlier several models of training transfer have been proposed considering these two as the important predictors of training transfer but most of the researchers have not attempted to bring it to under the ambit of M&A. In contemporary times, when M&A is the order of the day it becomes imperative to study these organizational processes in the context of M&A.

The results of this study move the field of training transfer in the right direction in regard to an increased understanding about how to improve training transfer. This paper develops a simpler model of training transfer in particular, and in the context of M&A in specific. It indicates that the greatest gains in training transfer will be realized only through a concerted effort on the part of management and trainee altogether. The first section of this paper discusses the statement of problem and research questions. Section two discusses the review of literature and theoretical framework while providing the thorough discussion of training transfer models developed by different researchers. Section three pertains to research methodology in details. Hypotheses are developed in this section. This also includes the sample design, data collection, procedures followed and instruments used. Section four presents the findings of the study. While the concluding section five, presents an overview of the research, the inferences of the study and its implication for corporations.

Statement of the Problem and Research Questions

This empirical investigation attempts to study the correlates of training transfer in the post-merger phase. Various researches have been done on the broader areas like training transfer in general, training in M&A, implementation intent in training transfer etc, this study tries to narrow down this topic while focusing on training transfer to measure the effectiveness of training given at time of integrations in M&A to feel employees motivated and empowered. The purpose of this study is to determine the role of organizational transfer climate factors and trainee characteristics in determining training transfer at times of M&A. Following research questions are raised in this study:

- RQ1. How the trainees' level of transfer implementation intent determined in post-M&A phase?
- RQ2. How the psychological empowerment is determined in post-M&A phase?
- RQ3. How employees' level of psychological empowerment and training transfer implementation intention determine training transfer during the training given in post- M&A phase?

Review of Literature

In order to provide answers to the questions posed in this study it was necessary to review the background of these subjects. To this end, the discussion of training transfer includes a definition of training transfer and how M&A tend to fail, why training is provided in M&A and how training transfer can be achieved there. It also provides a summary of work where different relationships were developed among different variables to achieve training transfer.

Training In Mergers and Acquisitions

Now a days M&A have become one of the very crucial growth strategies for organizations but success of them is still doubtful. Their success is not assured because handling of employees' resistance and post-merger conflict are still a challenge for organizations. Pritchett, (1997) proposes that the organizations that know how to minimize post-merger drift are the ones that succeed in integration initiatives. Gallos, (2006) concludes that despite of the growing acceptance of the pivotal role of human issues during a merger, companies fail to give due attention to integration of cultures, systems and technology.

Moving on from a functional tunnel vision, researchers today are focusing on issues other than financial. According to Shin (2003), the impact of M&A is not limited to the organizational level but it also has implications for the individual and the society at large. The substantial economic and emotional costs resulting from failures in mergers make it important to understand the fundamental factors that relate to both corporate merger success and failure (Cartwright and Cooper, 1992; Jemison and Sitkin, 1986; Marks and Mirvis, 1985). There is still a big lacuna in the training transfer research in the context of M&A which might become a breakthrough in the corporations' dilemma. So this paper studies the effectiveness of training program as an important input for M&A success.

These processes have a strong impact on those who were forced to leave as well as on the "survivors". For the survivors, restructuring meant a high level of uncertainty and dissatisfaction, stress, and increasing distrust. Processes of M&A result in organizational downsizing and in massive lay-offs. Very often a confrontation between different organizational cultures is created when two or more companies are merged together which may lead acculturation stress and post-merger conflict. These impediments to integration need to be taken into account and waded into a robust strategy of merger planning.

Training and development are pivotal in M&A. Managers and employees need training to meet the needs of new positions being created and of replacements of those who leave as a result of the high turnover that follows mergers. The training must cater the needs of technologies being employed and to the systems and work processes being introduced. In this regard, employees from both companies expected to be involved in the merger must learn about the other company's processes and practices. In addition, training is required about M&A in general, and the merger at hand in particular, on such issues as the specific cultural differences in the given merger, the effects of cultural differences on human resources, managing resistance to change, dealing with conflict during the post-merger integration, and more. Training helps improve the effectiveness of knowledge integration and absorb or acquire knowledge by reliance on manuals, databases, processes, and routines that encourage repeated use of this knowledge.

Measuring Effectiveness of Training

Fitzpatrick, (2001) indicate that only about 10% of what is learned in training is applied on the job. A serious problem for organizations, given that transfer of training is considered the primary leverage point by which training influences organizational-level outcomes and results (Kozlowski et al., 2000). According to Machin and Fogarty (1999) and Lewis (1996), evaluating transfer of training is important as it specifies whether changes or improvements in the participants' job-related knowledge and skill resulted in better job performance.

In other words, has the training program produced tangible performance outcomes, and thereby achieved a satisfactory return on the time and resources invested by the organization.

Kirkpatrick (1998) states three reasons for training practitioners to incorporate an evaluation program: to validate the continuance of the training department, to determine the future of an existing program and to improve an existing program. According to Albrecht (2008) it has been widely accepted that improving the effectiveness of training hinges upon increasing training transfer. Clark (2003) describes training transfer as the ultimate goal of training, a viewpoint that is widely acknowledged within the field of training.

Training Transfer

Clark (2003) presents his view as unless new knowledge and skills acquired in the training setting translate into new or improved job skills, the investment in training is wasted". Albrecht, (2008) proposes two aspects of the training process that facilitate positive transfer arc: (1) transfer-enhancing activities that occur during the training program itself; and (2) a favorable climate for transfer in the post-training selling.

Many researchers defined the training transfer as follows:

Baldwin and Ford (1988) defined transfer of training in terms of two conditions of transfer, (a) the maintenance of learned material over time, and (b) the generalization of learned material. Generalization denotes the extent to which knowledge, skills, and attitudes acquired in training are applied to different tasks or to settings beyond the training context (Adams, 1987).

Singley and Anderson (1989) described the transfer of learning as the extent to which "knowledge acquired in one situation applies to other situations".

The unparalleled pressure for training brings with it a need for better models of how end-user training should be designed to enhance learning and transfer

Factors Affecting Training Transfer

Throughout the decades of training transfer researches a number of factors have been emerged as the important determinants of training transfer in the organizations. Albrecht, (2008) categorizes these factors into three categories: 1. *Development and delivery factors* are the factors which cover the methods of promoting training transfer, and the proximity of transfer. Haskell (2001) refers it as level of transfer. 2. *Transfer climate factors* are those which makeup the transfer climate. e.g. the factors related to the organizations and senior management. 3. *Trainee characteristics factors* are the ones which affect the trainees' perception of various training enhancing activities. This may include employees' personality variables, motivation to learn, and self-efficacy.

By the development of different perspectives for training transfer a number of other factors have also been proposed having a major impact on the process of training transfer. Borrowing from the above mentioned studies, this research focuses on a categorization of training transfer factors where they are distributed into two categories: *Organizational transfer climate factors and Trainees' characteristic*. In this study the emphasis has been on identifying and examining the characteristics of training program/ or organizational transfer climate and individual learners so that it to relate with the factors of training and performance on the job.

Organizational Climate

Organizational climate has been established as a construct of considerable interest within the field of organizational behavior research, predominantly as a result of its demonstrable influence on organizational effectiveness (Likert, 1961), "The day-by-day behavior of the immediate superior and of other significant people in the managerial organization communicates something about their assumptions concerning management which is of fundamental significance...".

Many subtle behavioral manifestations of managerial attitude create what is often referred to as the "psychological climate" states Douglas McGregor. The notion of the feel of the workplace has been referred to and studied under a variety of labels including organizational character, milieu, atmosphere, organizational ideology, ecology, field, situation, informal organization, and more recently, climate and culture. Tagiuri and Litwin (1968) observe that "a particular configuration of enduring characteristics of the ecology, milieu, social system and culture would constitute a climate, as much as a particular configuration of personal characteristics constitutes a personality. Borrowing from Tagiuri and Litwin's (1968) definition of organizational climate- 'Organizational climate is a relatively enduring quality of the internal environment of an organization that a) is experienced by its members b) influences their behavior, and c) can be described in terms of the values of a particular set of characteristics (or attributes of the organization). The concept of Organizational climate usually attributes to Lewin (1951) with his field theory motivation. The concept became popular in the industrial and organizational literature particularly in the 1960's and 1970's with the book by Litwin and Stringer (1968) and the two major reviews of Forhand and Gilmer (1964) and James and Jones (1974).

Seibert, Silver and Randolph (2004) propose the notion of empowerment climate, borrowing from the argument of Schneider (1975) that climate dimensions should have a strategic focus and thus instead of assessing the overall climate, 'climate for something' should be assessed e.g. diversity climate, service climate (Schneider, Parkington, and Buxton, 1980), safety climate (Hofmann, & Stetzer, 1996) etc. In this study we propose to define, measure and analyze the training climate in the context of M&A. Hofmann, and Stetzer (1996) define training climate as a shared perception regarding the extent to which an organization makes use of programs and policies that support tangible (performance) and intangible (psychological empowerment, knowledge, self-efficacy belief) training outcomes, training effectiveness, and supportive training.

Organizational Transfer Climate

Climate for transfer is probably a complex concept. Rouiller and Goldstein (1990) following Luthans and Kreitner (1985), suggest that it is made up of cues and consequences that can either inhibit or help to facilitate transfer of training. Thayer and Teachout (1995); and Saks and Belcourt (2006) suggest that the former includes goal cues, social cues, task cues, and self-control cues. The latter includes positive and negative reinforcement, punishment and extinction. Historically, Fleishman, Harris, and Burt (1955) conducted the first study that suggested that a *supportive climate* provided by the supervisors is a factor in the transfer of learning to the job situation. Mathieu and Martineau (1997) suggest that environmental constraints operate to decrease transfer through two mechanisms. First, by influencing trainees' opportunities to perform their trained tasks and through the level of support and encouragement they receive from supervisors and coworkers. The second pathway is by indirectly influencing training and transfer outcomes via the trainee's level of pre-training motivation.

In 90% M&A settings the organizational climate cause employees to feel demotivated. If it doesn't match with their expectations or the climate of their previous organizations they tend to divulge towards negative feelings. Machin and Fogarty (1997), iterate that transfer process is able to proceed through the various stages until transfer is complete. Further research is required into the range or work-related factors which influence intentions to transfer as well as the relevance of these to the transfer process.

Trainees' Characteristics

Trainees' characteristics are usually the motivators or inhibitors of their transfer behavior. Noe (1986) developed a model specifying some motivational factors as well as other attribute and attitude factors that might affect a trainee's success in the training program. Noe hypothesized that trainees assess their training environments to determine whether they are responsive to their efforts also perform better on the job.

In other words, if no evidence exists that individuals who perform better in training also perform better on the job, there is no reason to test for the effects of the transfer climate. According to Machin and Fogarty (2003), "in training-transfer enhancing activities", the individual variables include reactions to previous training, knowledge and skills, pre training self-efficacy, trainee ability, locus of control, job involvement, and career attitudes.

Psychological Empowerment

Since 1990, the number of articles with "employee empowerment" as the key descriptor has exploded (Honold, 1997). This is partly because the term can be used to describe both the individual aspect of the concept as well as the organizational one (Honold, 1997). But Despite the increasing popularity of the "employee empowerment movement", very few companies today are truly empowered and the programs intended to empower the employees meet with very little success (Thurston and Jhonson, 1999). Furthermore, empowerment, and the strategies for implementing it, is far from being a simple "quick fix". Effective training program can lend them to successful empowerment institutionalization. It actually encompasses a very complex and multifaceted continuous process. Thus employee empowerment is more than a management buzzword and a text-book definition. It is a new way of managing organizations towards a more complex and competitive future and thus has taken up in this study.

Empowerment has been analyzed as both a relational and a motivational construct .As a relational construct, it relates to an individual's power and control of one individual over another with less power and focuses on the empowerment practices (Mankin, Cohen, and Bikson, 1997; Quinn and Spreitzer, 1997; Thorlakson and Murray, 1996). The motivational construct involves cognitions and perceptions (psychological empowerment) which lead to feelings of behavioral and psychological investment in work (Conger and Kanungo, 1988a; Kirkman and Rosen, 1999; Spreitzer, 1995; Thomas and Velthouse, 1990). In the motivational approach, pioneered by Conger and Kanungo (1988a), empowerment was conceptualized as psychological enabling. This enabling can be facilitated by effective training program. These authors defined empowerment as "... a process of enhancing feelings of self-efficacy among organizational members through the identification of conditions that foster powerlessness ..." (Conger and Kanungo, 1988a, Thayer and Teachout, 1995). Empowerment has further been defined as a 'process which enhances intrinsic work motivation of people by positively influencing impact, competence, meaningfulness and choice' (Thomas and Velthouse, 1990). Spreitzer (1995) considers empowerment as an increased task motivation arising from an individual's positive orientation to his or her work role.

Training program is a means of providing expertise, power and knowledge. Bowen and Lawler II (1992) define empowerment as a process of providing information, rewards, knowledge, and power. In work settings, it has been defined as the reorientation of all forces, values and beliefs which determine human behavior in organizations so that they support and liberate the individual rather than reduce their range of thoughts and action. Randolph (1995) defines empowerment as recognizing and releasing into the organization the power which people already have in their wealth of useful knowledge and internal motivation. Thus empowerment is letting the knowledge and motivation power of people out of the bottle (Blanchard, et al., 1995).

Training Transfer Implementation Intention

There has been written very little on the topic of implementation intention in reference to training transfer. Thayer and Teachout's (1995) model includes transfer success as the main post-training outcome. In the present study, we have concentrated on three variables that describe the state of readiness of the trainee at the completion of training, including the trainees' learning during training, self-efficacy, and a new outcome variable called transfer implementation intentions (which would mediate between the first two training outcomes and transfer outcomes).

Gollwitzer (1999) wrote “goals or resolutions stand a better chance of being realized when they are furnished with implementation intentions that link anticipated suitable opportunities to intend goal directed behaviors.” (p. 501). Goal intentions were defined as specifying a desired end-state, as well as some level of commitment to achieving that end state. Implementation intentions were defined as specifying the situational cues or conditions that trigger goal-directed actions (Machin and Fogarty, 2004).

Machin and Fogarty (2004) also examine various elements of transfer climate and their impact upon pre-training self-efficacy and post training transfer implementation intent. Transfer implementation intent has been defined as: “The trainees’ intention to engage in specific behavior that would facilitate transfer of their skills”. According to Machin and Fogarty, in order for training transfer to occur at all there must be a minimal level of intent to transfer on the part of the trainee.

Machin and Fogarty suggest that the dimensionality of transfer implementations intentions needs to be clarified. This finding provides the foundation of the inclusion of dispositional measure in training research and supports the possibility of individual variables interacting with training methods and other situational variables to influence training and transfer outcomes. There is a necessity to develop a greater base of knowledge with regard to transfer implementation intent is precipitated by its probable impact on training transfer. In an effort to cover the knowledge gap in the area of M&A, this research proposes the organization transfer climate factors as the important predictors of training transfer implementation intention. Perception of organizational justice, perception of integration synergy and perception of quality of training were taken as important inputs under organizational transfer climate factors.

Training effectiveness is driven by the ability of the trainee to implement what he/she has learned from the classroom to the workplace. Tharenou’s (2001) findings are crucial of adult learners in a work environment in that motivation or expectation to learn is highly linked with the expectation that the training will be meaningful and useful on the job. Quality of training is important in determining employees’ intention to learn. When training is meaningful and useful trainees are motivated to learn and intended to transfer it to work place thus training transfer level increases. The results of various studies indicate that intent does play a role in predicting training transfer.

Theoretical Framework

The proposed theoretical framework is tailored to understand and explain the correlates of effective training transfer. The study attempts to do so, against the background of an hybrid-integrative framework (Baldwin and Ford, 1988; Thayer and Teachout, 1995; and Machin and Fogarty, 2003) of training transfer theories (Expectancy Theory, Equity Theory, Goal-setting Theory), training theories (Three-Fold Approach to Training and approaches of learning that lead to training), learning theories (Learning Evaluation Theory, Cognitive Learning Theory, Social Learning Theory, and Implicit Learning Theory), and theories of psychological empowerment.

Several models have been proposed by many researchers to clear the concept of training transfer in organizations. The theoretical framework builds up the foundation of several researches done in this area. This includes an examination of the progression of existing models for training transfer and a discussion of the factors thought to influence training transfer in general and in the context of M&A in specific. The models examine are those of Baldwin and Ford (1988), Thayer and Teachout (1995), and Machin and Fogarty (2003).

Earlier models discussed the phenomenon of training transfer considering the factors of ‘situation’ and ‘cues’ as to be the important predictors of it. Baldwin and Ford (1988) in their model divided the transfer affecting categories into training-input factors, training outcomes, and conditions of transfer.

While in 1993, Rouiller and Goldstein (1993) specifically examined the relationship between organizational transfer climate and transfer of training. They developed a measure of organizational transfer climate that consists of situations and consequences that can either inhibit or help to facilitate the transfer of training. Noe (1986) and Noe and Schmitt (1986) developed and tested a model of factors affecting training and transfer, that was subsequently tested by Facticeau, Dobbins, Russell, Ladd, and Kudisch (1992) and Williams, Thayer and Pond (1991). The model developed by Facticeau et al., (1992) showed that the sub-ordinate and peer support helps in the success of training transfer. Thayer and Teachout (1995) presented a conceptual model of training transfer that proposes transfer-enhancing activities and climate for transfer are to be the affecting variables of training transfer.

Although much is known about the learning processes during training, but this process is still untouched in the area of training transfer. Thayer and Teachout (1995) suggest that learning processes cannot be dealt with because of two reasons. First, they would make the model overly complex and unwieldy. Second, they would detract from the primary objective; the study of conditions affecting transfer once training is complete. While learning being the important outcome of training, it has been shown to be affected by reactions to training as suggested by Kirkpatrick, (1976).

Anderson (1983) developed his Adaptive Control of Thought (ACT) model. It proposed that during the development of automatic skills, conscious representations are gradually transformed into unconscious ones. If the participants are not able to indicate conscious awareness towards training, then there is no learning. Seger (1994) defined implicit learning as “learning complex information without complete verbalisable knowledge of what is learned”. Berry and Dienes (1993) provides a more clear understanding about it by defining implicit learning as the information which we acquire without intending to do so, and in such a way the resulting knowledge is difficult to express. This opens the avenues to study training transfer implementation intention in determining the success of training transfer.

Machin and Fogarty (2003) revamped Thayer and Teachout training transfer model in order to build substantiated support for the addition of new factors believed to influence training transfer. To make it apt to the context they were studying, some of the changes were made. They replaced the list of individual factors from Thayer and Teachout (1995) model with a list of factors more closely related to those who would participate in a specific training. Machine and Fogarty (2003) added ‘training transfer implementation intention’ which has a crucial impact on the level of trainee success.

Self-efficacy, or one’s expectation or confidence in performing a task (Bandura, 1977), should be enhanced by training. While Tannenbaum, Mathieu, Salas, and Cannon-Bowers (1991), and Latham (1989) suggest that self-efficacy be considered both as an antecedent to training and an outcome of it. While the former concept helps in building the foundation of psychological empowerment which extends the concept of self-efficacy in Mergers and Acquisitions.

Research Methods

Sampling

The study adopts a two-stage sampling for the selection of the sample. In the first stage the organizations were selected purposively to adequately represent the organizations where mergers or acquisitions took place recently. In the second stage, the sampling units were taken to be the employees of middle level of the organizational hierarchy across all departments of the organizations. The middle rung was chosen as the sample of the study, inspired by the studies which have pointed out that today in the change oriented business context, it is the middle level of the organizational hierarchy which needs to adopt this training, most of all.

Participants

The quantitative data was collected. The sample for the study consists of 200 employees, selected from the middle rung in the organizational hierarchy. Four organizations which are operating in India, where M&A has taken place in recent past were selected randomly. All The participants were required to fill a survey questionnaire. Of these 123 successfully participated in the quantitative data collection. 97% of the respondents were having an experience of 5-10 years. Their position in the organization ranged from middle level management to senior level management. The organizations have been selected on the basis of industry representation (Cleland, Pajo, Toulson, 2000; Ramnarayan, 1996), where two organizations were operating in Indian aviation industry while others two were in telecom industry. In this study, employees' perception has been the basis of data across industries.

Hypotheses

- H1:** Organizational transfer climate factors positively influence training transfer implementation intention.
- H2:** Organizational transfer climate factors positively influence psychological empowerment.
- H3:** Training transfer implementation intention and psychological empowerment work as important mediating variables in determining training transfer.

Definitions of Constructs

Organizational Transfer Climate: Taguiri and Litwin (1968) define organizational climate as a relatively enduring quality of the internal environment of an organization that a) is experienced by its members b) influences their behavior c) can be described in terms of the values of a particular set of characteristics or attributes of the organization. Perception of organizational transfer climate is divided into three categories, Perception of organizational justice, Integration synergy and of quality of training.

Perception of Organizational Justice: Greenberg (1987) suggests that employee perceptions of fairness in the workplace are related with a positive organizational behavior. One of the primal challenges during M&A is the perceived organizational justice, especially when there are inter- and intra- organizational shifts and role shifts (Colquitt et al., 2001). As a corollary, perceived organizational justice may lead to high commitment as well. Organizational justice can be categorized into - distributive justice, procedural justice, and interactional justice (Greenberg, 1987). All the three assume vital importance during an M&A.

Another important factor contributing to M&A outcomes is *Perception of Integration Synergy:* The integration of two organizations is an interactive and gradual process in which individuals of both sides learn to work together and cooperate in the transfer of resources and capabilities. The success of the integration process depends on cooperation and requires the ability to address conflicts and various HR problems.

According to Weber et al., (1996) transferring and integrating resources during the post-merger integration is difficult because of cultural differences that create conflicts, communication problems, employee resistance, and the turnover of acquired talent and executives. Post-acquisition integration is defined as the changes in the functional activities, organizational structures, and cultures of the acquiring and acquired firm that facilitate their consolidation into a functioning whole (Pablo, 1994). Haspeslagh and Jemison (1991) suggest that post-acquisition integration plays an important role in determining the acquisition results.

The third factor proposed as contributing to M&A success is *Perception of Quality of Training:* Organizations conduct various types of training along the merger process. Each of these training types contributes to the integration and M&A success- cross-cultural training (Black and Mendenhall, 1990), competency development training (Rodolfa et al., 2005) and job-related training (Booth, 1991).

The organizations studied were selected on a purposive basis. All of them engaged in intense training programs. Primarily the focus was on cross-cultural training, competence-development and job-related training. The competency approach to human resource management is based on identifying, defining and measuring individual differences in terms of specific work-related constructs, especially the abilities that are critical to successful job performance. The concept of competency lies at the heart of human resource management, providing a basis for integrating key HR activities such as selection and assessment, performance management, training, development and reward management, thus developing a coherent approach to the management of people in Organizations is crucial (Lucia and Lepsinger, 1999). Specific HR practices such as training of people for the new assignments during the integration period and open communication are indicators that the firm pursues a strategy likely to result in integration capabilities which in turn improve the firm performance (Lynch and Lind, 2002).

Instruments Used in Present Study

The instruments for different constructs contained the following measure:

- A. **Demographics:** The study used a Background Information Schedule to collect the background information about the respondents. Information about their age, gender, educational qualifications, experience and regional background was collected. Organizational background schedule was used to collect information like organizational ownership and industry.
- B. **Perception of Organizational Transfer Climate:** Organizational transfer climate was measured under three categories: perception about organizational justice, Perception of integration synergy, and perception of quality of training. Organizational Justice was measured using the questionnaire developed by Greenberg (1987) which gives a measure of the three dimensions of organizational justice: Distributive Justice, Participative Justice and Interactional Justice. Integration synergy was measured asking three direct questions on their perception about technological, cultural and operational synergy.
- C. **Trainee Characteristics:** This variable subsumes two aspects: training transfer implementation intention and psychological empowerment.
 - i. **Psychological Empowerment:** A 15-item questionnaire of Spreitzer (1995) was used to study the measure of psychological empowerment of employees on a five-point likert type scale from “Strongly Disagree” to “Strongly Agree”. Thomas and Velthouse (1990) defined empowerment as a cognitive state that results in increased intrinsic task motivation manifested in four cognitions: 1) **Meaning** (value of work goal or purpose therefore they feel that their work is important to them and they care about what they are doing); 2) **Competence** (self-efficacy: this means that they are confident about their ability to do their work well and they know they can perform); 3) **Self-determination** (autonomy in initiation and continuation of work behaviors which would mean that they are free to choose how to do their work and are not micro-managed).4) **Impact** (the degree to which the individual's behavior makes a difference and influence on work outcomes: this means that people believe they can have influence on their work unit; others listen to their ideas). Together, the four dimensions reflect an active, rather than a passive orientation to one's work role.
 - ii. **Training Transfer Implementation Intention:** This was measured using the eleven items developed by Machin and Fogarty (2004).

- A. **Perception of Training Transfer:** This was assessed by self reports of employees. Training-Enhancing Activities Questionnaire (TEAQ: Thayer and Teachout, 1995) was administered to mark on following subscales of training transfer i.e. over-learning, fidelity, varied practices, principles-meaningfulness, self-control cues, relapse prevention, and goal-setting in the context of all the three types of training given.

Data Analysis and Results

Analyses

The data were analyzed using a combination of bivariate correlations, stepwise multiple regression and structural path analysis in order to determine the extent to which the proposed model “fits” the observed sample covariance matrix. Inter-correlations were obtained to examine the relationship and regression analysis has been used to find out the predictor effects between the variables.

Model was tested for the success of training transfer. Here all the organizational transfer climate factors were taken together to see their impact on trainees’ characteristics. This model hypothesized that the effect of organizational transfer climate factors such as organizational justice, integration synergy and quality of training are the important inputs to predict the success of training transfer. These also impact employees’ training transfer implementation intention and employees’ psychological empowerment. This path leads to the success of Training transfer.

Results

		1	2	3	4	5	6
Justice	Pearson Correlation Sig. (2-tailed) N						
		123					
Integration Synergy	Pearson Correlation Sig. (2-tailed) N	.319**					
		.000					
		123	123				
Quality of Training	Pearson Correlation Sig. (2-tailed) N	.331**	.564**				
		.000	.000				
		123	123	123			
Training Transfer Implementation Intention	Pearson Correlation Sig. (2-tailed) N	.464**	.533**	.484**			
		.000	.000	.000			
		123	123	123	123		
Psychological Empowerment	Pearson Correlation Sig. (2-tailed) N	.427**	.643**	.520**	.549**		
		.000	.000	.000	.000		
		123	123	123	123	123	
Training Transfer	Pearson Correlation Sig. (2-tailed) N	.443**	.547**	.572**	.691**	.700**	
		.000	.000	.000	.000	.000	
		123	123	123	123	123	123
**. Correlation is significant at the 0.01 level (2-tailed).							

Inter-Correlations among Variables

Table 1 presents the inter-correlations of all the studied variables. The table depicts that trainee’ characteristics i.e. training transfer implementation intention and psychological empowerment measured, have very high correlations with the organizational transfer climate factors. Training transfer implementation intention was positively correlated with organizational justice ($r=0.464$, $p<0.01$), as well as with integration synergy ($r=0.533$, $p<0.01$). The results also indicated that its relationship was also found significant with quality of training ($r=0.484$, $p<0.01$). A similar relationship exists for psychological empowerment, which was found to be positively correlated with organizational justice ($r=0.427$, $p<0.01$), with integration synergy ($r=0.643$, $p<0.01$) and with the quality of training ($r=0.520$, $p<0.01$).

Training transfer was found to have very high correlations with training transfer implementation intention ($r=0.691, p<0.01$) and with psychological empowerment ($r=0.700, p<0.01$).

Structural Model

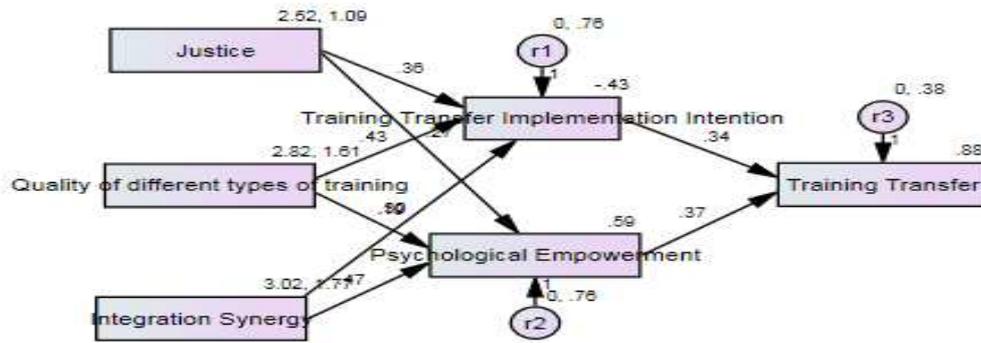


Figure 1: The Output Path Diagram for Training Transfer During Mergers & Acquisitions

The process model proposed that the variables with the strongest direct effects on training transfer success are the training transfer implementation intention and psychological empowerment of employees.

Test of the model in figure 1 using AMOS indicated that it fits with the data, with R square values of 0.88 for training transfer, 0.43 for training transfer implementation intention and 0.59 for psychological empowerment. The results of this model confirmed that training transfer implementation intention ($b=.34, p<.05$) and psychological empowerment ($b=.37, p<.05$) were both directly related to Training Transfer. Organizational justice was found to predict both, training transfer implementation intention ($b=.36, p<.05$) and psychological empowerment ($b=.27, p<.05$). Similarly, integration synergy was found to have direct path to both training transfer implementation intention ($b=.43, p<.05$) and psychological empowerment ($b=.19, p<.05$) which shows that integration synergy predicts partially to psychological empowerment. Perception of quality of training have a direct path to training transfer implementation intention ($b=.30, p<.05$) and to psychological empowerment ($b=.47, p<.05$) as well.

Other Analyses

Table 2: Goodness-of-Fit Statistics for Training Transfer- CFA Model

Model	CMIN/DF	GFI	CFI	RMSEA	PCLOSE
Default model	1.136	0.918	0.891	0.205	0.000

As seen in Table 2 the value of CMIN/DF (full form) is calculated 1.136 for this model, indicates that model fits the sample data reasonably well. Goodness of Fit Index (GFI) and Comparative Fit Index (CFI) imply a perfect fit when they are equal to 1, while values near to 0.90 or above for the model implies good fit. GFI value of 0.959 and CFI value of 0.891 obtained for a model indicate good fit.

Discussion

This study focuses on understanding the dimensionality of training transfer and its relationship of organizational transfer climate factors and trainees' characteristics in the post-merger phase. The results of this study demonstrate that the hypotheses are satisfied as organizational transfer climate factors influence trainees' characteristics as training transfer implementation intention and psychological empowerment which itself plays a mediating role in better explaining of effectiveness of training transfer at the end of the training in post-merger phase. These relationships prove robust organizational analysis assessing transfer climate should be a requirement in determining if the organization is ready to support its training program.

This research borrows the concept of training transfer climate from the studies of Noe (1986) and Rouiller and Goldstein (1993) where the organizational climate factors are distributed in two categories i.e. situational and cues. The current study examines the organizational transfer climate factors in post-merger context which throws light on the importance of fairness or a climate of justice at times of M&A (Klendauer and Deller, 2008; Melkonian, Monin and Noorderhaven, 2011), integration synergy (Maire and Collette, 2011; Pablo, 1994) and quality of training (Weber and Tarba, 2010).

The results of the path modeling indicate that organizational climate factors predict the trainees' characteristics for effective training transfer. They also point towards the importance of employee feelings, and organizational climate in the success of training transfer. The study highlights the important role of human resource management in achieving tangible and intangible gains during M&A. Tangibles and intangibles gains are related to training transfer during M&A.

This study is consistent with research which has shown specific behavioral intentions are a direct precursor to behavior (Tubbs and Ekeburg, 1991) and that the influence of situational factors or organizational transfer climate factors is mediated through trainees' willingness of training transfer.

The study has given credence to the existence of training climate in the organizations. The results point towards the importance of training climate. If the training climate fosters and helps increase the feelings of self-efficacy and empowerment the employees would be propelled towards a positive implementation of their new found competence and training. Organizations strive hard and allocate huge fund for training but if the employees is determined not to view the training beneficial and meaningful to them then all efforts go in vein. Thus, a major challenge in front of the organization is to manage dimensions and intentions of the employees such that their training interventions may be utilized to the fullest.

The research indicates that these intentions are correlated with positive feelings for organizations in enhancing organizational synergy during M&A. If the employees perceive positive organizational support, organizational justice, fairness of all structural rearrangement, egalitarian policies and synergistic processes then positive pullover would encourage them to have the intentions to utilize the training given to them.

Cross-cultural environment created as a result of M&A often results into post-merger or acquisition conflict. Organizations need to address HR problems in a cogent and well-planned manner. It has been found that most of the companies do not indulge in due-diligence and do their home-work. Since mergers are relatively more planned they should be preceded by thorough due diligence process. The due-diligence process would help identify integration challenges and thereby facilitates integration synergy.

The results of this study indicate that the integration synergy contributes to training transfer implementation intention; this inculcates positive feeling in employees after the post-merger period of uncertainty and dwindle the cultural conflict. As one of the HR managers reported people have more of ego issues than actual issues. As employees of one of the organization reported that they had reservations about employees eating in the same canteen and using the same recreation group. But after establishing integration synergy the unions were too loggerheads until organizational synergy has achieved and employees would become colorblind or membership blind.

Thus the use of a specific integration strategy combined with the environment of fairness and justice and different types of training can help developing positive characteristics among employees (training transfer implementation intention and psychological empowerment) which in turn enable a comprehensive and effective training transfer during post-merger or post-acquisition phase.

Implications of the Study

The results of this study suggest several interesting research-related and practical implications. This study confirms that individuals who learn more in training also perform better in transferring those behaviors.

This study has strong implications for the multinational corporations that are making inroads into M&A. M&A are very common in the contemporary Indian business scenario, especially so in wake of the foreign direct investment policy recently adopted by the Indian government.

The study contributes to the body of literature on training transfer in the merger context. Implementation intentions have not been studied in conjunction with felt psychological empowerment and the study addresses this gap.

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