

Group Processes & Intergroup Relations

When the best become the rest

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Abstract:	<p>This experiment tested the combined impact of pre-merger status (low, high) and relative representation (low, high) on identification with a merged group and on bias expressed towards members of the merger partner. In phase 1, 111 university students were assigned to a pre-merger team of 'inductive' thinkers. Pre-merger status was manipulated by informing participants that their team had performed worse or better than a deductionist team on a decision-making task. In phase 2, participants' pre-merger team was supposedly merged with this deductionist team to form a new merger team of analyst thinkers. Relative representation was manipulated by either preserving most or none of the characteristics of the pre-merger team in the new merger team.</p> <p>The results revealed a significant interaction between pre-merger status and relative representation on both post-merger identification and ingroup bias. Participants belonging to a high pre-merger status group confronted with a low relative representation reported less post-merger identification and more bias than participants in the other three conditions. Moreover, relative representation, but not premerger status, moderated the relation between postmerger identification and ingroup bias. More specifically, when relative representation was high, postmerger identification and ingroup bias were positively related. By contrast, when relative representation was low, postmerger identification and ingroup bias were negatively related. These results confirm the predictions based on Ingroup Projection Model.</p>



When the best become the rest:

The interactive impact of premerger status and relative representation
on postmerger identification and ingroup bias

According to a Social Identity Approach (SIA) to organizational psychology (Ashforth & Mael, 1989; Haslam, 2004; Hogg & Terry, 2000, 2001), employees will be more willing to act for the benefit of their organization, the more they identify with this organization. However, the merger mania that has been engulfing organizational life since three decades constitutes a serious threat for employees' identification with their organization (Ullrich & von Dick, 2007). First, mergers render comparisons between the two merging groups, and consequently their relative status position, very salient. As a result, SIA predicts that members of a relatively low-status premerger group will react more negatively to the merger (e.g., will identify less with the new merger group) than members of a relatively high-status premerger group. This assumption has been supported by various survey-studies (Amiot, Terry, & Callan, 2007; Boen, Vanbeselaere, & Cool, 2006; Terry & Callan, 1998; Terry, Carey, & Callan, 2001; Terry & O'Brien, 2001, van Knippenberg, van Knippenberg, Monden, & de Lima, 2002) as well as by experimental research (Fischer, Greitemeyer, Omay, & Frey, 2007).

Second, mergers imply that at least part of a valued social identity (i.e., the premerger organization) has to be abandoned and replaced by a new social identity (i.e., the new merger organization). Although some characteristics of the premerger organization may be preserved, mergers are often associated with changes in name, logo, culture, etc. Based on SIA, van Knippenberg and van Leeuwen (2002) predicted that the more employees would feel that their premerger group is continued in the new merger group, the more they would identify with the merger organization. In an experimental study using minimal groups, van Leeuwen,

van Knippenberg and Ellemers (2003) confirmed that when the relative representation of the premerger ingroup is high compared with the outgroup, group members are more inclined to identify with the new merger group.

In reality, the premerger status and the relative representation of merging organizations are often positively correlated: the biggest organization is most likely to have the highest status and to be represented best in the new merger organization. Nevertheless, it makes sense to disentangle the effects of these two factors because of two reasons. First, the correlation between premerger status and relative representation is far from perfect. For example, a number of mergers are initiated by a large organization that is more or less forced to merge with a smaller organization in order to safeguard its leading position in their economical sector. In such a scenario, the former low-status organisation can weigh heavily upon the merger negotiations because the high-status organization needs the merger more and will have to make a number of concessions. Vanbeselaere, Boen and De Witte (2002) observed in such a context that the employees of the larger high-status organization experienced the representation of both organizations as equal and that these employees were not satisfied with this state of affairs. Similarly, Hornsey, van Leeuwen and van Santen (2003) observed that members of a high-status group can feel threatened by the inclusion of a low-status group. Second, even in merger situations where premerger status and relative representation coincide, it is theoretically and practically relevant to tease out their separate influence. By doing so, it becomes possible to specify the underlying motivations that limit group members' identification with the new merger organization (i.e., concerns related to group esteem versus concerns over group continuity). This specification can in turn inspire managers to design appropriate interventions.

Unfortunately, the studies assessing the impact of premerger status on identification (see above) made no distinction between premerger status and relative representation.

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Therefore, Boen, Vanbeselaere, Brebels, Huybens and Millet (2007) set up an experiment in which premerger status and relative representation were manipulated independently, together with premerger identification. Boen et al. (2007) expected that premerger status and relative representation would interact in determining postmerger identification. More specifically, based on van Knippenberg and van Leeuwen (2002), they predicted that members of a high premerger status group would identify more with the new merger group than members of a low premerger status group, but only when they feel that their premerger group is highly represented in this merger group.

Surprisingly, the results showed no significant interaction between premerger status and relative representation. In fact, premerger status had no effect at all on postmerger identification. On the other hand, the interaction between relative representation and premerger identification was significant: Members who had identified strongly with the premerger group showed a stronger postmerger identification than low premerger identifiers, but only when the relative representation of their premerger group was high.

These unexpected results suggest that relative representation and not premerger status is the reason why former studies have observed that employees of dominant premerger groups felt more committed to the new merger organization. This would imply that if managers could somehow find a way to convince both premergers groups that they are ‘well’ represented, members of both low and high premerger status organizations would identify with the new merger organization to the same extent, regardless of the premerger status of their former ingroup. Given this important consequence, we decided to replicate the Boen et al. (2007) experiment in order to test the reliability of these findings, in particular because group status is such a central concept in SIA.

However, contrary to Boen et al. (2007), the present experiment did not manipulate premerger identification, but only relative representation and premerger status. Boen et al.

manipulated premerger identification indirectly by varying the information given to the participants concerning their prototypicality for the premerger group. Informing them about their personal prototypicality for the premerger group might have influenced the impact of relative representation and premerger status. More specifically, emphasizing participants' individual prototypicality might have focused participants' attention to the relative representation of their group in the merger group because this allows them to determine their group's prototypicality for the merger group. As a consequence, relative representation might have become so salient in the study by Boen et al. that premerger status lost its impact.

With respect to the interactive impact of premerger status and relative representation on postmerger identification, three conflicting predictions can be formulated. First, based on the studies by Terry and colleagues (1998, 2001) and the model by van Knippenberg and van Leeuwen (2002), it can be expected that members of the high status premerger group will identify more strongly with a newly formed merger group than members of a low status premerger group, but that this effect of premerger status will only occur when the premerger group is highly represented in the merger group. This is the interaction between premerger status and relative representation that was predicted, but not observed, by Boen et al. (2007).

However, based on the work by Hornsey and colleagues (2000, 2002, 2003) and on the Ingroup Projection Model (IPM; Waldzus, Mummendey, Wenzel, & Weber, 2003; Mummendey & Wenzel, 1999; Wenzel, Mummendey, Waldzus, 2007), one could expect that this interaction takes a different form. More specifically, Hornsey and Hogg (2002) observed that when members of a high-status group were categorized exclusively at the superordinate level, and were therefore no longer differentiated from the low-status group, they showed more negative reactions than members of the low-status group. This effect disappeared when the subgroup boundaries were maintained in a dual categorization (i.e., participants were categorized both at the superordinate and the subordinate level). In merger terms, this implies

that members of the high-status group will react more negatively than the low-status group when the previous subgroup distinction becomes blurred, as is the case when their premerger group is not or only weakly represented in the merger group.

A similar prediction could be derived from IPM. According to IPM, subgroup members tend to project characteristics of their ingroup to the prototype of the superordinate category. As a result, they are likely to perceive their own subgroup as relatively more prototypical for the inclusive superordinate category. This perceived relative prototypicality would in turn be positively correlated with bias towards the outgroup. Applied to merger settings, ingroup projection would be most prominent among members of the high-status premerger group (Waldzus, Mummendey, Wenzel, Boettcher, 2004). When this strong projection conflicts with the actual weak representation of their premerger group in the new merger group, members of the high-status group would show more negative reactions to the merger than the low-status group. In other words, one could predict that members of the high-status premerger group will identify less with a newly formed merger group than members of a low-status premerger group but only when the relative representation is low.

Finally, a third interactive pattern can be predicted if the two abovementioned effects would occur simultaneously. This implies that members of the high-status group will identify more strongly with the merger group when relative representation is high, but less strongly when relative representation is low. In conclusion, three different hypotheses can be formulated regarding the proposed interactive effect of premerger status and relative representation on postmerger identification:

Hypothesis 1a: Based on SIA and van Knippenberg and van Leeuwen (2002), it can be predicted that premerger status will only have an effect on postmerger identification when relative representation is high: Members of the high-status premerger group will identify more

strongly with the new merger organization than members of the low-status premerger group, but only when the relative representation of their premerger group is high.

Hypothesis 1b: Based on Hornsey and Hogg (2002) and on IPM, it can be predicted that premerger status will only have an effect on postmerger identification when relative representation is low: Members of the high-status premerger group will identify less strongly with the new merger organization than members of the low-status premerger group, but only when the relative representation of their premerger group is low.

Hypothesis 1c: If the processes underlying the first two predictions would occur together, it can be predicted that premerger status will have an effect on postmerger identification at both levels of relative representation: Members of the high-status premerger group will identify more strongly with the new merger organization than members of the low-status premerger group when the relative representation of their premerger group is high, but less strongly when the relative representation of their premerger group is low.

Besides postmerger identification, the present experiment also included a measure of bias towards members of the premerger outgroup. Ingroup bias can seriously thwart cooperation with the members of the merger partner and is therefore relevant to take into account. We assume that, in addition to identifying less with the merger group, showing elevated levels of ingroup bias is another way to express one's dissatisfaction with the merger. Therefore, based on the reasoning outlined above, an interaction between premerger status and relative representation was formulated that can take three different forms.

Hypothesis 2a: Premerger status will only have an effect on ingroup bias when relative representation is high: Members of the high-status premerger group will show less bias towards the merger partner than members of the low-status premerger group, but only when the relative representation of their premerger group is high.

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Hypothesis 2b: Premerger status will only have an effect on ingroup bias when relative representation is low: Members of the high-status premerger group will show more bias towards the merger partner than members of the low-status premerger group, but only when the relative representation of their premerger group is low.

Hypothesis 2c: Premerger status will have an effect on ingroup bias at both levels of relative representation: Members of the high-status premerger group will show less bias towards the merger partner than members of the low-status premerger group when the relative representation of their premerger group is high, but more bias when the relative representation of their premerger group is low.

Finally, we tested whether the relation between postmerger identification and ingroup bias would be influenced by relative representation and/or premerger status. Based on the results obtained by van Leeuwen, van Knippenberg and Ellemers (2003), it could be predicted that postmerger identification and ingroup bias would be positively related when the relative representation of the premerger ingroup is high, but that these concepts would not be related when relative representation is low. The underlying assumption is that a strong representation of the premerger ingroup would have as a consequence that the former ingroup and the new merger group are experienced as one and the same. Hence, a high postmerger identification would imply that members ‘inherit’ the intergroup rivalry existing before the merger, and would thus show more ingroup bias. However, this would not be the case when the ingroup is weakly represented in the new merger group, and the premerger ingroup and new merger group are thus experienced as different groups.

Based on IPM, one could even go one step further and predict a negative relation between postmerger identification and ingroup bias when relative representation is low. More specifically, formulated in terms of IPM, identification with a superordinate category for which the ingroup is perceived as being more prototypical than the outgroup (e.g., when the

premerger ingroup is more strongly represented in a new merger group than the premerger outgroup) will lead to more bias towards this outgroup. This means that IPM predicts a positive relation between postmerger identification and ingroup bias when relative representation is high, as was observed by van Leeuwen, van Knippenberg and Ellemers (2003). In addition, IPM assumes that identification with a superordinate category for which the outgroup is perceived as being most prototypical (e.g., when the premerger ingroup is less represented in the merger group than the premerger outgroup) will lead to less bias towards this outgroup. This implies that IPM predicts a negative relation between postmerger identification and ingroup bias when relative representation is low.

Although premerger status has been shown to have an impact on the mean level of ingroup bias (e.g., Terry & Callan, 1998), we saw no reason to predict that premerger status would moderate the relation between postmerger identification and ingroup bias.

Hypothesis 3: Relative representation, but not premerger status, will moderate the relation between postmerger identification and ingroup bias: These concepts will be positively correlated when relative representation is high, but negatively correlated when relative representation is low.

Method

Participants and design

Participants were 111 students (73 females, 38 males) from various departments at the University of Leuven. All students (17-23 years) participated voluntarily and were offered €7.5. They were randomly assigned to four conditions of a 2 x 2 between-subjects factorial design with premerger status (low, high) and relative representation (low, high) as independent variables.

Procedure

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The experimental procedure was based on van Leeuwen et al. (2003), but with some modifications.

General cover-story. Participants entered the laboratory in groups of 4-8, and were told that many people work in teams that try to solve problems between groups. Some of these teams come up with good solutions, others do not. Supposedly, there was reason to believe that the thinking style of the individual members of a team was decisive for the quality of the solutions provided by this team. In order to test this assumption, participants would have to complete a questionnaire to diagnose their individual thinking style. Based on this questionnaire, they would then be divided into two different teams that would be asked to evaluate solutions for a specific intergroup problem.

Categorisation. Each participant was then led to a separate computer cubicle, where the rest of the instructions were shown on the computer screen. Participants first had to complete a multiple-choice questionnaire that would determine their thinking style. While the computer calculated their score, participants were informed that people use various thinking styles. Two of those are most frequent, namely the inductionist and the deductionist styles. Inductionists would be inclined to gather as much facts as possible about a problem and these facts would provide the basis to solve the problem. Sherlock Holmes was proposed as the prototype of an inductionist. By contrast, a deductionist would start from a vision or from general ideas from which to derive a solution. The statue of ‘the thinker’ by Rodin was proposed as the prototype of a deductionist.

In order to form two equally sized groups, half of the participants would be assigned to the inductionist team and the other half to the deductionist team, depending on their score relative to the other participants. In fact, all participants were categorized as inductionists and were presented a blue computer screen with a picture of Sherlock Holmes.

Manipulation of premerger status. Participants next read an intergroup problem and were shown five possible solutions. They had to evaluate the effectiveness of each of these solutions by applying the thinking style of their own group of inductive thinkers. Thereafter, participants in the *low* premerger status condition were informed that “the team of deductionists had clearly scored better than the group of inductionists with respect to evaluating the solutions for the intergroup problem”. This information was also displayed in a bar chart. By contrast, in the *high* premerger status condition, participants were informed that “the team of inductionists had clearly scored better than the group of deductionists with respect to evaluating the solutions for the intergroup problem”, which was also displayed in a bar chart.

Introduction of the merger group. Participants were then told that the inductionists and deductionists both belonged to a more inclusive analytic style. This analytic style would be typical for highly educated participants, which explained why all participants were classified as analysts. Analysts would solve a problem in a more rational manner. By contrast, people with an experiential style would solve a problem in an intuitive manner. In order to study the differences between experientialists and analysts, the existing teams of inductionists and deductionists would be merged into one team of analysts. A high merger group status was induced by stating that analysts generally come up with better solutions for tackling intergroup problems than experientialists.

Manipulation of relative representation. Low relative representation was induced by informing the participants that all members of the merger group had to work in a deductive analytic way. The colour of the computer screen then turned to red and a picture of the thinker of Rodin was depicted together with the label 'deductive analysts'. High relative representation was induced by informing the participants that all members of the merger group had to work in an inductive analytic way. The colour of the computer screen turned to blue and a picture of Sherlock Holmes was depicted together with the label 'inductive analysts'.

Merger problem. A second intergroup problem was then offered, and participants again had to evaluate five possible solutions for this problem, either in an inductive analytic or in a deductive analytic way. After completion of this second intergroup problem, participants had to complete the following measures of the dependent variables. Unless stated differently, all items had to be answered on a seven-point scale ranging from 1 (agree not at all) to 7 (agree completely).

Postmerger identification. Identification with the merger group was measured with four items: a) I see myself as a typical member of the group of inductive/deductive analysts, b) I

am glad to belong to the group of inductive/deductive analysts, c) I find it important to belong to the group of inductive/deductive analysts, and d) I feel myself at home in the group of inductive/deductive analysts. These four items showed a good internal consistency (Cronbach's $\alpha = .81$), and we therefore computed respondents' unweighted mean score as measure of their postmerger identification ($M = 3.80$, $SD = 0.95$).

Ingroup bias. Participants' ingroup bias on relevant comparison dimensions was measured with five items: a) To what extent do you think that inductionists are in general more creative than deductionists in coming up with solutions? (on a scale ranging from 1 'deductionists more creative' to 7 'inductionists more creative'), b) To what extent do you believe that inductionists are in general more intelligent than deductionists? (on a scale ranging from 1 'deductionists more intelligent' to 7 'inductionists more intelligent'), c) Spontaneously, I am inclined to have more confidence in the solutions of inductionists than in those of deductionists, d) If one has to pick a spokesman out of a group of inductive/deductive analysts, I would rather choose an inductionists than a deductionist (on a scale ranging from 1 'prefer a deductionist' to 7 'prefer an inductionist), and e) I think that in daily life I would prefer to be in contact with inductionists rather than with deductionists. The five items referring to respondents' level of ingroup bias showed a sufficient internal consistency (Cronbach's $\alpha = .70$). Consequently, we computed respondents' unweighted mean score as measure of their ingroup bias ($M = 4.37$, $SD = 0.82$).

Manipulation checks. The effect of the manipulation of relative representation was assessed by two items, one assessing postmerger ingroup representation ('The group of inductionists is weakly/strongly represented in the group of analysts') and one assessing postmerger outgroup representation ('The group of deductionists is weakly/strongly represented in the group of analysts'). These items had to be answered on a scale from 1 ('very weakly') to 7 ('very strongly').

The effect of the premerger status manipulation was assessed by the item 'In comparison with deductionists, inductionists are worse/better at solving intergroup problems'. *Debriefing.* After all participants had completed the manipulation checks, the experimenter comprehensively explained the real purposes of the study, and emphasized that the feedback concerning their thinking style was false.

Results

Manipulation checks

On the manipulation check of premerger status, a 2 x 2 ANOVA was performed with premerger status and relative representation as independent variables. A significant main effect of premerger status emerged, $F(1, 107) = 51.71, p < .001, \eta^2 = .33$: As intended, participants in the high premerger status condition agreed more with the statement that inductionists would perform better on intergroup problems compared with deductionists, than did participants in the low premerger status condition, $M = 5.15$ vs. $3.61, SD = 0.83$ vs. 1.36 . No other significant effects emerged. It can thus be concluded that the manipulation of premerger status was successful.

On the two manipulation checks of the relative representation manipulation (one assessing postmerger ingroup representation, and one assessing postmerger outgroup representation), a 2 x 2 x 2 mixed ANOVA was performed with premerger status and relative representation as between-subjects factors and ingroup/outgroup representation as a within-subjects factor. Besides a significant interaction between relative representation and ingroup/outgroup representation, $F(1, 107) = 16.17, p < .001, \eta^2 = .13$, no significant effects emerged. Further analyses revealed that relative representation had a significant effect on both ingroup representation, $F(1, 109) = 12.24, p < .01, \eta^2 = .10$, and on outgroup representation, $F(1, 109) = 15.58, p < .001, \eta^2 = .13$, but these effects were in the opposite direction. More specifically, compared with participants in the low relative representation condition,

participants in the high relative representation condition perceived more ingroup representation, $M = 4.59$ vs. 3.95 , $SD = 1.02$ vs. 0.91 , whereas they perceived less outgroup representation, $M = 3.63$ vs. 4.31 , $SD = 0.95$ vs. 0.88 . We therefore conclude that the manipulation of relative representation was successful. The results of these two manipulation checks also reveal that we succeeded in manipulating premerger status and relative representation independently.

Postmerger identification

In order to test Hypothesis 1, a 2×2 ANOVA was performed on the postmerger identification scale with premerger status and relative representation as independent variables. The main effect of premerger status was not significant, $F(1, 107) = 1.65$, $p = .20$, $\eta^2 = .02$, whereas the main effect of relative representation was, $F(1, 107) = 12.77$, $p < .001$, $\eta^2 = .11$. However, this main effect of relative representation had to be qualified by a significant interaction between relative representation and premerger status, $F(1, 107) = 6.03$, $p < .05$, $\eta^2 = .05$ (see Figure 1). Further analyses revealed that premerger status had a significant impact on postmerger identification at the low representation level, $F(1, 53) = 5.56$, $p < .022$, $\eta^2 = .10$, but not at the high representation level, $F(1, 54) = .92$, $p < .343$, $\eta^2 = .02$. When confronted with a low representation of their premerger group, members of the high premerger status group identified significantly less with the new merger group than did members of the low premerger status group, $M = 3.18$ vs. 3.80 , $SD = 1.11$ vs. 0.85 . When confronted with a high representation of their premerger group, members of the high and low premerger status group did not differ significantly in their identification with the merger group, $M = 4.19$ vs. 3.99 , $SD = 0.82$ vs. 0.71 . These results thus support Hypothesis 1b, which stated that premerger status would only have an effect at the low representation level, and that members of the high-status premerger group would identify less with the merger group than the members of the low-status premerger group.

Taken from another perspective, the main effect of relative representation was only significant at the high premerger status level, $F(1, 53) = 14.82, p < .001, \eta^2 = .22$, but not at the low premerger status level, $F(1, 54) = 0.80, p = .38, \eta^2 = .01$. More specifically, when participants belonged to a high status premerger group, a high relative representation resulted in significantly more postmerger identification than a low relative representation, $M = 4.19$ vs. $3.18, SD = 0.82$ vs. 1.11 . By contrast, when participants belonged to a low status premerger group, no significant difference emerged between the high and low relative representation condition, $M = 3.99$ vs. $3.80, SD = 0.71$ vs. 0.85 .

Taken together, these results revealed that the members of a poorly represented high-status premerger group identified less with the merger group than members of the other three premerger status/relative representation combinations, which did not differ from each other.

Ingroup bias

In order to test Hypothesis 2, a 2×2 ANOVA was performed on the ingroup bias scale with premerger status and relative representation as independent variables. Relative representation had no significant main effect on ingroup bias, $F(1, 107) = .95, p = .332, \eta^2 = .01$, but premerger status did, $F(1, 107) = 5.79, p < .05, \eta^2 = .05$. However, this main effect of premerger status had to be qualified by a significant interaction between premerger status and relative representation, $F(1, 107) = 3.91, p = .05, \eta^2 = .04$ (see Figure 2).

Further analyses revealed that the main effect of premerger status was only significant at the low relative representation level, $F(1, 53) = 9.13, p < .01, \eta^2 = .15$, but not at the high relative representation level, $F(1, 54) = 0.10, p = .76, \eta^2 = .00$. More specifically, at the low relative representation level participants in the high premerger status condition expressed more ingroup bias than participants in the low premerger status condition, $M = 4.78$ vs. $4.12, SD = 0.78$ vs. 0.83 . By contrast, at the high relative representation level no significant difference emerged between the high and low premerger status condition, $M = 4.34$ vs. 4.27 ,

$SD = 0.73$ vs. 0.81 . These findings support Hypothesis 2b, in which it was predicted that premerger status would only have an effect at the low representation level, and that it would be the members of the high-status premerger group who would exhibit the most bias.

Looking at this interaction from a different perspective, relative representation had a significant impact on ingroup bias among participants of a high premerger status group, $F(1,53) = 4.73, p < .01, \eta^2 = .08$, but not among participants of a low premerger status group, $F(1,54) = .47, p = .50, \eta^2 = .01$. At the high premerger status level, participants in the low representation condition expressed more ingroup bias than participants in the high representation condition, $M = 4.78$ vs. $4.34, SD = 0.78$ vs. 0.73 . At the low premerger status condition, no significant difference emerged between the low and high representation condition, $M = 4.12$ vs. $4.27, SD = 0.83$ vs. 0.81 .

Taken together, these results revealed that the members of the poorly represented high-status premerger group manifested more ingroup bias than members of the three other premerger status/relative representation combinations, which did not differ from each other.

Relation between postmerger identification and ingroup bias

In order to test Hypothesis 3, we conducted a regression analysis on ingroup bias in which postmerger identification, relative representation and premerger status were entered in the first step (after centering), the three two-way interactions in the second step, and the three-way interaction in the third and final step. The model as built in the first step did not explain a significant amount of variance, $R^2 = .06, F(3, 107) = 2.13, p = .10$. However, after entering the interaction in the second step, the model became significant, $R^2_{ch} = .16, F(3, 104) = 6.93, p < .001$, while addition of the three-way interaction in step 3 did not result in a significant improvement, $R^2 = .01, F(1, 103) = 1.09, p = .30$.

When looking at the two-way interactions at the second step, only the interaction between postmerger identification and relative representation was significant, $\beta = .37, t =$

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3.99, $p < .001$. Simple slope analyses showed that postmerger identification and ingroup bias were positively related when relative representation was high, $\beta = +.47, p < .001$, but negatively when relative representation was low, $\beta = -.33, p < .05$. This means that in line with Hypothesis 3, the relation between ingroup bias and postmerger identification was moderated by relative representation, but not by premerger status. In other words, relative representation, and not premerger status, seems to be the crucial factor determining whether identification with the new merger group is associated with more or less bias towards the merger partner.

Discussion

This experiment aimed at testing the combined impact of premerger status and relative representation on identification with the new merger group and bias towards the merger partner. Based on different theoretical models and empirical evidence, it was predicted that premerger status and relative representation would interact in determining postmerger identification and ingroup bias. However, the specific form that this interaction would take was formulated in three different hypotheses.

The results revealed indeed an interactive effect of premerger status and relative representation on both premerger identification and ingroup bias. In line with Hypotheses 1b and 2b, derived from the work by Hornsey and Hogg (2000, 2002) and the Ingroup Projection Model (Mummendey & Wenzel, 1999), premerger status only had an impact on postmerger identification and ingroup bias when the relative representation of participants' premerger group in the new merger group was low, but not when relative representation was high. More specifically, participants belonging to a high premerger status group confronted with a low relative representation showed a significant decline in postmerger identification and expressed significantly more ingroup bias.

These findings thus suggest that when people belong to a premerger group with a high status, they might expect that their group is represented best in the new merger group, which is usually the case in real-life. When this expectation is not fulfilled, participants may feel that their premerger group is unjustly treated and feel threatened by the merger process. In other words, when the former best feel that they are considered as the rest in a merger context, they will rebel.

The results of the present experiment are not really in line with the findings by Boen et al. (2007). These authors observed only a main effect of relative representation on postmerger identification, and no effect of premerger status. As argued before, we believe that the additional manipulation of premerger identification by Boen et al. - a manipulation that was based on individual prototypicality information - could have reduced the salience of their premerger status manipulation. The present study successfully manipulated premerger status and relative representation independently, and the results clearly indicate that relative representation and premerger status interactively determine both postmerger identification and ingroup bias. The fact that the same condition that stood out with respect to postmerger identification also stood out with respect to ingroup bias hints at the reliability of the present findings.

In line with Hypothesis 3, relative representation - but not premerger status - determined the relation between postmerger identification and ingroup bias. More specifically, when relative representation was high, the more participants identified with the merger group, the more bias they expressed towards the merger partner. Moreover, as predicted based on IPM, when relative representation was low, the more participants identified with the merger group, the less bias they expressed towards the merger partner.

These results add to the findings of van Leeuwen, van Knippenberg and Ellemers (2003), who observed a positive relation when relative representation was high, but no

significant relation when relative representation was low. On the other hand, the results of the present study are similar to those of Boen, Vanbeselaere and Millet (2005). In their experiment, relative representation was manipulated together with the status of the new *merger* group. Although merger status and relative representation did not interact when determining postmerger identification, relative representation and (measured) pre-merger identification did. More specifically, when the premerger ingroup was weakly represented in the new merger group, a strong negative correlation was observed between participants' former identification with the premerger group and their identification with the new merger group. By contrast, when the premerger ingroup was strongly represented in the merger group, premerger and postmerger identification were strongly and positively correlated. These findings suggest that when members of a premerger group perceive the merger process as threatening for their ingroup, they seem to dissociate themselves from the new merger group (see also Bartels, Douwes, De Jong, & Pruyn, 2006).

The importance of threat can also be derived from three scenario studies by Giessner, Viki, Otten, Terry, and Täuber (2006). In these studies, participants of either a low- or a high-status premerger group had to express their support for four different merger integration patterns (i.e., assimilation, equality, proportionality and transformation). Members of the high-status premerger group felt most threatened by the equality and transformation pattern and supported assimilation and proportionality more strongly than members of the low-status premerger group. By contrast, members of the low-status premerger felt most threatened by assimilation and proportionality, and showed more support for equality and transformation than members of the high-status premerger group. Future studies should therefore focus on the mediating role of both ingroup prototypicality and perceived intergroup threat on identification with a merged organization and bias towards merger partners (e.g., Ulrich, Christ, & Schlüter, 2006)

We realize that our experimental design had some limitations. First, one could question the ecological validity of this study: participants belonged to rather minimal groups and they had no contact with each other. Second, participants were informed that the merger group had a high status, which is not always the case in reality, although it is always announced as such. Third, the specific operationalization of relative representation may have resulted in a different fit of the premerger groups in the new merger group. More specifically, participants in the low representation condition had to adapt their way of thinking to that of the outgroup, which may have resulted in a lower perceived fit, and consequently a lower identification with the merger group. It should be noted however that this confound between relative representation and fit is present in most real merger processes, and may even be responsible for the impact of relative representation. Finally, relative representation was manipulated in an ‘all or nothing’ manner, which might have suggested a take-over by one group. This might have facilitated distinctiveness threat by participants of the lowly represented premerger group.

In conclusion, we believe that it is important to disentangle the effects of these factors on postmerger identification and ingroup bias by means of experimental studies. As previous studies (Christ, van Dick, Wagner, & Stellmacher, 2003; van Knippenberg & van Schie, 2000) have pointed out, identification with the new merger group plays a crucial rule in determining the willingness of employees to act in favour of that organization (e.g., to work harder and longer than is actually required, not to move to another organization). The present findings denote that researchers and managers should pay attention to both premerger status and relative representation in order to understand and direct the reactions of participants to the merged organization. More specifically, most negative reactions to the merger can be expected from members of a high-status group who feel that their group is underrepresented in the new merger organization.

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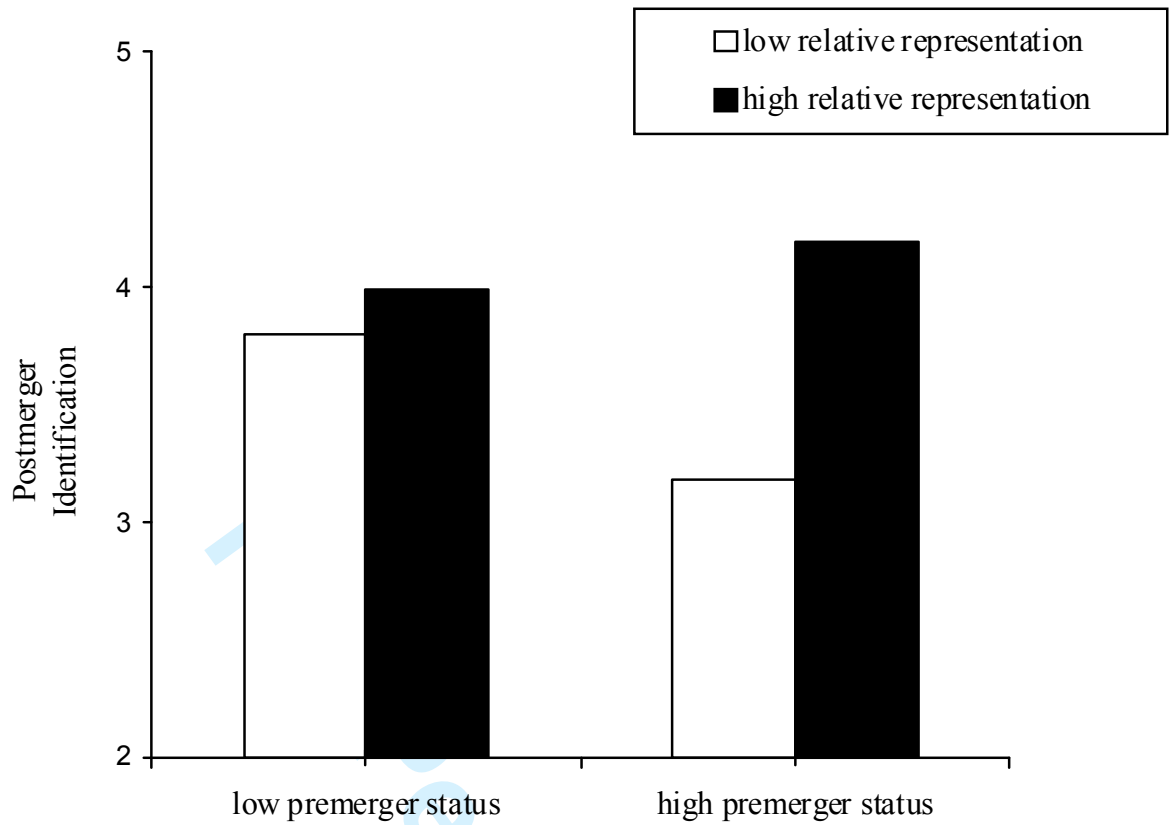
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Figure 1. The impact of premerger status and relative representation on postmerger identification.

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Figure 2. The impact of premerger status and relative representation on ingroup bias.

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