“Impact of managerial communication, managerial support, and organizational culture difference on turnover intention: A tale of two merged banks”

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IMPACT OF MANAGERIAL COMMUNICATION, MANAGERIAL SUPPORT, AND ORGANIZATIONAL CULTURE DIFFERENCE ON TURNOVER INTENTION: A TALE OF TWO MERGED BANKS

Abstract

Mergers and acquisitions are critical mechanisms for promoting the stable and effective production of the financial sector, and an effort to improve the strategic edge of financial institutions. M&A process also entails a high degree of confusion, which can be difficult for the workers. This study was conducted in the Philippines to examine the differences in the employees' opinion in managerial communication, managerial support, and organizational culture difference relative to employee turnover. It also seeks to determine if the socio-demographic profile of respondents has a significant influence on turnover intention. The sample in this study is determined using a purposive sampling method. A total of 350 questionnaires are complete and feasible to analyze where 250 respondents belong to Bank A, and 100 respondents belong to Bank B. Using Levene-Welch post-hoc multiple comparison and binary logit regression with bootstrap, the findings revealed that managerial communication, managerial support, and organizational culture were associated with turnover intention. Further, the findings revealed that turnover intention differs per demographic profile. Therefore, management is to develop a post-merger integration plan, ensuring to attain competitive advantage and successful mergers and acquisitions.

Keywords mergers and acquisitions, financial sector, confusion, socio-demographic profile, integration plan, competitive advantage

JEL Classification G34, J63, O15

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INTRODUCTION

With the advent of rapid economic and technological changes, companies must meet the demand of modern globalized world. Companies consider mergers and acquisitions (M&A) an important business strategy to derive economies of scale, procure new technologies, increase profit and market share, transfer resources, utilize additional assets, and improve access to new markets (Zhou & Yang, 2015) and organizational performance (Noe et al., 2010).

As the key soft or human factors are overlooked, and particular attention is given to the political and financial priorities of the transaction, one-third and one-half of these M&A failures are attributed to (Stahl & Mendenhall, 2005). Properly monitoring and forecasting workplace factors such as efficiency, absenteeism, attrition, citizenship, and satisfaction should be considered (Appelbaum et al., 2007). In these cases, merger success is measured in terms of behavioral indices (Kusstatscher & Cooper, 2005).

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M&A is intensely emotional experience for workers of the organizations concerned (Kusstatscher & Cooper, 2005). As complexities associated with M&A scenarios give rise to serious psychological reactions, resulting in positive or negative conduct of employees (Bhal et al., 2009), such reactions lead either to the success or the failure of M&A. Communication can impact the feelings encountered by individuals during an M&A while management support can affect the happiness and anxiety of employees (Sinkovics et al., 2011). Further, dealing with cultural differences is one of the key challenges in any acquisition (Gomes et al., 2011). Therefore, it is necessary to investigate the effect of merger issues, particularly focusing on the role of managerial communication, managerial support, and organizational culture difference on employees' turnover intention.

1. LITERATURE REVIEW

M&A entails large-scale systemic transition and can be a big cause of fear and confusion (Seo & Hill, 2005). The form of anxiety can differ between individuals and depends on the features of M&A. It is a common observation that workers feel elevated levels of anxiety when confronted with the potential incidence of M&A. Low productivity and lack of enthusiasm are potential consequences due to confusion and anxiety.

The announcement of a merger or takeover entails chances of job loss in the case of middle management. As combining two hierarchies into one means getting two candidates in each position, middle managers have been found to face job security issues during the M&A process (Piekkari et al., 2005). As M&A is frequently negotiated privately and information to those other than top management is held limited (Harwood, 2006), the first limited news of M&A opens up to multiple perceptions and rumors, which, in essence, contributes to more confusion, which can continue for longer periods, leading to the psychological pressure. Relevant prescriptions include top-down communication, mutual reinforcement, and involvement in decision-making, educating administrators to value and listen to staff, and even speeding up the transition.

Emotions have been shown to affect the behavior of individuals during M&A, and these attitudes and activities can impact the outcome of M&A (Gunkel et al., 2015). As one encounters his/her emotions, the emotions in the M&A phase can vary significantly between individuals affected by M&A. Reactions during M&A vary from rejection to apprehension at the beginning to full approval at the end of the cycle (Durand, 2016). Consequently, the way an organization responds to these reactions influences results such as the degree of employee engagement and efficiency, the amount of workforce attrition, and the level of satisfaction with, and allegiance to, the company.

Communication is one of the variables that play an important role in developing knowledge and capabilities, particularly in the post-merger stage, and in educating, training, knowledge transfer, and learning in cross-cultural management situations (Gomes et al., 2011). Increased cultural differences, uncertainty, and tensions may exist in the acquired organization if there is insufficient communication and will prevent knowledge transfer. These factors finally lead to overall M&A performance failure. Communication has a positive effect on reactions towards mergers and a decrease in management turnover (Bastein, 1987). Besides, the communication of M&A intentions enhances the impression of workers that the company is trustworthy, truthful, and loving (Schweiger & Denisi, 1991). Management should clarify why M&A is beneficial, repeat messages via various contact networks allow face-to-face conversations, verify that the messages sent are messages received, and ensure that non-communication has detrimental consequences.

The critical role of "emotion bosses" is mindful of their effect on workers' emotions (Kusstatscher, 2006). Managerial support is another important factor found to be negatively associated with negative emotions. If the amount of organized change information meetings held increases to provide reliable and reliable information on mergers, employee uncertainty reduces (Rafferty & Restubog, 2010). Employee understanding of the accuracy of knowledge on change is sub-

stantially positively linked to an affective commitment to change. Affective commitment is negatively associated with turnover intentions. Supervisory support and turnover intent are significantly and negatively correlated (Egalla, 2011). Supervisors who have high support towards employees, in return, these employees are highly committed to the organization. Yet, employees still have high turnover intentions. Besides, emotions of discontent refer to the purpose of turnover, active resistance, and passive resistance (Gunkel et al., 2015). On the other hand, feelings of insecurity are connected to aggressive resistance actions.

Cultural differences are one of the key challenges in any acquisition, and it can be described as the "way we work" (Gomes et al., 2011). It states that the effect of M&A is unfavorable due to the tension between respective cultures at the institutional level (Triantafyllopoulos & Mporletidis, 2014). The acquiring bank follows a more disciplined approach where approval comes from top administrative executives. This results in the departure of several middle-level executives from the acquired bank. Individualism, insecurity, and long-term focus have minimal influence on employees' feelings during M&A but have major direct impacts on employees' work-related outcomes, including the plan to make a turnover (Gunkel et al., 2015).

Furthermore, employees' demographic characteristics will affect their actions and their intentions of turnover during the merger (Gunkel et al., 2015). Turnover intentions have a major connection with the respondent's term, as the findings suggest that an inverted U-trend is being observed (Martin & Roodt, 2008). Turnover intentions initially increase as tenure increases and then decline once a peak of six to ten years is achieved. This may be because the young hires are going through their twilight years in the organization and are therefore inexperienced about the enterprise as a whole, while others who are more seasoned are committed to the organization after spending several years of service in it. Many in the six to ten-year group believe they have had ample knowledge of the organization and thus sense a desire to adjust. The value of human resource management differs based on employment, professional experience, and monthly income, but there is little distinction between worry and uncertainty over job losses and lack of confidence in the future (Colakoglu & Yesildag, 2011). Employee age is shown to have a big effect on the function of turnover, whereas gender does not (Olabimitan et al., 2012). On the contrary, none of the demographic variables (age, educational degree, current position, tenure, and annual income) are associated with moral and turnover scores within the telecommunications industry (Chambers & Honeycutt, 2009). As a result, M&A itself has the biggest effect on poor morale and relatively strong turnover intentions. Further, employees with longer work-life have fewer feelings of frustration but higher proactive opposition levels, whereas employees in more managerial roles have fewer feelings of confusion and higher turnover intentions (Gunkel et al., 2015). Finally, employees with higher educational attainment are not involved in practices related to the performance of cross-border M&A (Gunkel et al., 2015).

According to the M&A literature, a merger is an emotional event for employees. Attitude and behavior at the post-merger stage are triggered by managerial communication, managerial support, and organizational culture difference, which are considered vital issues. There have been studies using different methods and measurements on analyzing the outcome and examining the impact of M&As. Most of the studies used financial and accounting measurements. The success of M&A can be measured through non-financial outcome tools, including turnover intention and job performance. There are contradictory findings on the effect of M&A issues on employees. Further, respondents' demographic profile can also influence the level of turnover intention and job performance, but there are limited studies. As to local studies, the impact of M&A, particularly in the banking industry, is analyzed using financial and accounting measurements. Limited studies on the effect of issues on employees at the post-merger stage, particularly in the Philippines' banking industry, call for a study that can determine the effect of managerial communication, managerial support, and organizational culture difference on turnover intention.

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2. AIMS

This research was conducted to explore the impact on turnover intention of the selected merger issues. This research aims to establish the variations in employee perception in merged banks concerning turnover intention based on managerial communication, managerial support, and organizational culture differences. It also seeks to determine whether respondents' socio-demographic profile (age, gender, role, tenure, former organization, and size of that organization before the merger) impact turnover intention.

3. METHODS

The researcher analyzed many banks. Bank A and Bank B are banks that have undergone a merger in the Philippines. Bank A is the representative of banks with longer years as universal banks and a bigger number of employees, while Bank B is the representative of banks with shorter years in the banking industry and a smaller number of employees.

The purposive sampling method was used to obtain responses since the HRD officer did not randomly select the respondents based on the master's list; instead instructed the researcher to personally distribute the survey questionnaire. The questionnaire was distributed during seminars conducted within a month. Further, the total number of employees in different groups was not disclosed. The researcher established criteria to acquire relevant sets of data to answer the research objectives. The criteria in choosing respondents are (1) currently assigned in the head office; (2) employed before the merger of Bank A and Bank B; (3) present at the time of the survey; (4) willing to participate in the study.

Based on Raosoft sample size calculator with an 8,300 population size, margin of error is 5.13% for the sample size of 350 with confidence level of 95%. According to Wilson VanVoorhis and Morgan (2007), 350 respondents are a good sample and have adequate size. A total of 350 survey questionnaires are sent out, and all are considered valid since all are returned with complete data.

Table 1. Demographic characteristics

Demographic profile	Groups	Frequency	Percentage
Age	20-30	151	43.1%
	31-40	112	32.0%
	41-50	62	17.7%
	51-60	24	6.9%
	61 and above	1	0.3%
	Total	350	100%
Gender	Female	172	49.1%
	Male	178	50.9%
	Total	350	100%
Position	Top management	2	0.6%
	Middle management	24	6.9%
	Lower management	95	27.1%
	Rank-and-file employees	229	65.4%
	Total	350	100%
Tenure at the time of merger	1-3 years	66	18.9%
	4-6 years	106	30.3%
	7-9 years	56	16.0%
	10-12 years	45	12.9%
	13 years and above	77	22.0%
	Total	350	100%
Bank affiliation before merger	Bank A	250	71.4%
	Bank B	100	28.6%
	Total	350	100%

Note: Due to rounding errors, percentages may not equal 100%.

The statistics for age, gender, position, tenure at the time of merger, and bank affiliation before merger date reveal 350 valid cases and zero missing responses. Table 1 shows the demographic profile breakdown of the respondents.

There are 151 employees (43%) under 10-30 years old, 112 employees (32%) under 31-40 years old, 62 employees (17.7%) under 41-50 years old, 24 employees (6.9%) under 51-60 years old and 1 employee aged 61 years old and above (3%). Males (N = 178, 51%) and females (N = 172, 49%) are almost even in numbers in the sample.

The employees occupy the following positions: top management (N = 2, 6%), middle management (N = 24, 6.9%), lower management (N= 95, 27%), and rank-and-file employees (N = 229, 65.4%). The employees serve the banks for about 1-3 years (N = 66, 18.9%), 4-6 years (N = 106, 30.3%), 7-9 years (N = 56, 16%), 10-12 years (N = 45, 12.9%), and 13 years and above (N = 77, 22%), respectively. Most respondents (N = 250, 71%) are employees of Bank A and a few are employees of Bank B (N = 100, 29%).

The research instrument that has been used is divided into three parts. The researcher has the approval to adopt the survey questionnaire. The first part consists of the respondent's demographic profile such as age, gender, position, group, tenure at the time of merger announcement, and bank affiliation before the merger. The second part consists of questions with 28 items. Managerial communication and managerial support are measured using three items and six items, adapted from Gunkel et al. (2015). Organizational culture difference is measured using the value items adapted from Very et al. (1997). Lubatkin et al. (1999) also utilized the same survey questionnaire. Items are developed in parallel with Hofstede et al.'s (1990) cultural dimensions. The turnover intention questions derive originally from Hendrix, Nestor, and Troxler (1985) but are subtly rephrased to answer the particular acquisition context. The survey questionnaire was pre-tested and validated, arriving at a Cronbach's Alpha coefficient value of 0.91, which denoted high reliability.

As to research design, SPSS version 20 and JAMOVI were utilized in analyzing the data obtained from the study. The survey data collected are compiled, organized, and tabulated. A descriptive statistic is used to determine the respondents' demographic profile, which includes simple frequency distributions and percentages. Cronbach's Alpha is used to test variable reliability. Spearman non-parametric test is used to assess how well the relationship between the two variables is. While Levene-Welch-Games-Howell post-hoc multiple comparison is used to examine the perceived differences in the turnover intention are associated with managerial communication, managerial support, and organizational culture difference, binary logit regression with bootstrap is used to examine the influence of demographic profile on turnover intention.

4. RESULTS

Table 2 presents the variables with the averaged mean scores. The mean score revealed that the respondents have a high inclination towards turnover intention while managerial support and organizational culture difference. The Shapiro-Wilk normality test revealed that all the variables are not normally distributed ($p > .05$).

Considering the non-normally distributed data, Spearman's correlation was conducted. Table 3 contains the p-value, labeled as significant (2-tailed) and the correlation coefficient. The p-value tests if the correlation between two variables is significant. Based on the result, turnover intention was negatively correlated with managerial communication (rho = –.197, $p < .001$), managerial support (rho = .302, $p < .001$), and organizational culture difference (rho = .309, $p < .001$).

Table 2. Description of the constructs

Statistics	Managerial communication	Managerial support	Org. culture difference	Turnover intention
N	350	350	350	350
Mean	2.70	2.64	2.64	2.83
Standard deviation	0.493	0.459	0.402	0.695
Shapiro-Wilk *p*	< .001	< .001	< .001	< .001

Table 3. Correlation matrix

Variable	Statistics	Managerial communication		Managerial support		Org. culture difference		Turnover intention	
Managerial communication	Spearman's rho	–							
	p-value	–							
Managerial support	Spearman's rho	0.629	***	–					
	p-value	<.001		–					
Org cultural difference	Spearman's rho	0.401	***	0.540	***	–			
	p-value	<.001		<.001		–			
Turnover intention	Spearman's rho	–0.197	***	–0.302	***	–0.309	***	–	
	p-value	<.001		<.001		<.001		–	

Note: * $p < .05$, ** $p < .01$, *** $p < .001$.

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The study determines the level of the opinion of employees regarding communication and support from management. Descriptive statistics show that the opinion of employees varied from agree (N = 181) and strongly agree (N = 81) to disagree (N = 80) and strongly disagree (N = 8) level for the managerial communication and managerial support. This indicates that the employees perceive that they experience managerial communication and managerial support. Employees perceive that organizational culture difference are similar (N = 181), very similar (N = 81), different (N = 80), and very different (N = 8).

Levene statistic ($p < 0.05$) shows that there are many instances of violation of equal variances. The findings of ANOVA cannot, however, be used to explain the data. Welch statistic is utilized to correct the findings of the Levene statistic. Table 4 shows significant differences in employees' agreement in managerial communication, managerial support, and similar organizational culture if they consider finding other employment. This implies that most employees do not consider offers of other employment opportunities if they have managerial communication, managerial support, and similar organizational culture.

The Welch statistic for uneven variances indicates substantial variations between groups of employees, but it is not possible to determine one of the groups has distinct differences. Games-Howell post-hoc multiple comparison reveals employees' differing views on the function of turnover intention (I have considered finding other employment). The summary of the opinions is presented in Table 4.

The group opinions of employees who disagreed have a higher level of differences than those that agreed regarding the option of finding other employment. The result indicates that they cannot find other employment because of high managerial communication and managerial support.

Take note that the results on employees' group opinion are different from descriptive statistics on the level of employees' opinion concerning communication, support, and organizational cultural differences. The two results are different because group opinion of employees is associated with turnover intention, while the descriptive statistics on the level of opinion are not cross associated with turnover intention.

Items 1-16 of organizational culture differences are rated as similar and very similar, indicating that employees considered not to find other employment because of similar and very similar organizational culture found in departments, autonomy in employees' decision-making, competition among workers, long-term view, adherence to formal rules and procedures, reward, pressure to improve personal and group performance, and height of performance goals. Based on the analysis, there are significant differences in employees' opinion in turnover intention associated with managerial communication, managerial support, and organizational culture differences.

The results are relative to Kusstatscher and Cooper's (2005) conclusion that poor top-down communication led to feelings of uncertainty, negative emotions, and dissatisfaction where these employees' coping mechanism is to look for a new job and voluntarily leave the company. As Bastein (1987) mentioned, communication positively affects reactions towards merger and a decrease in management turnover.

The conclusion that managerial behavior and support affect employees' decision whether or not to stay in an organization is true based on the findings of the study. According to Rafferty and Restubog (2010), if the amount of organized change information sessions attended rises, employee anxieties decline, are substantially linked to an affective commitment to change, and adversely correlated with turnover intentions. Managers who consider the merger favorably promote the process of change more, thus increasing M&A efficiency with reduced workforce turnover and more employee engagement (Durand, 2016).

On the other hand, the results contradict Egalla's (2011) findings, stating that supervisory support and turnover intent are significantly and negatively correlated. The research findings reveal that employees still have high turnover intentions, though their supervisors have high support towards employees.

The finding on the impact of the disparity in organizational culture on the function of turnover is reinforced by the Stahl and Voigt (2005) report that

Table 4. Level of opinion on turnover intention relative to managerial communication, managerial support, and organizational cultural difference

Post-hoc tests (multiple comparison), Games-Howell		
Dependent variable	**1. I have considered finding other employment**	
Managerial communication	Sig.	Results
1. The M&A process is clear and understandable.	0.002	Disagree to find other employment
2. Management and employees may seem to have the same M&A information.	0.006	Disagree to find other employment
3. M&A information I gathered is clear and to the point.	0.002	Disagree to find other employment
Managerial support		
1. Management takes care of my concerns and fears about M&A.	0.002	Disagree to find other employment
2. Management style in my department is consultative.	0.005	Disagree to find other employment
3. Management provides adequate support with the increased burdens/ workloads resulted from M&A.	0.000	Disagree to find other employment
4. Management offers emotional support during the takeover process.	0.003	Disagree to find other employment
5. Management provides continuous support and creates opportunities to train employees.	0.021	Disagree to find other employment
Organizational culture differences		
1. Cares about health and welfare of employees.	0.000	Similar organizational culture
2. The measures used to judge employee performance.	0.018	Similar organizational culture
3. Gives responsibility to employees.	0.002	Similar organizational culture
4. Acts in a responsible manner towards customers.	0.000	Similar organizational culture
5. Explains the reasons for decisions to all employees.	0.001	Similar organizational culture
6. Allows employees to adopt his/her approach to the job.	0.001	Similar organizational culture
7. The communication between departments.	0.000	Similar organizational culture
8. The autonomy in decision-making given to employees.	0.000	Similar organizational culture
9. Encourages competition among employees.	0.012	Similar organizational culture
10. Encourages cooperation and teamwork among employees.	0.000	Similar organizational culture
11. Takes a long-term view.	0.001	Very similar organizational culture
12. Adherence to formal rules and procedures.	0.001	Very similar organizational culture
13. The way employees are rewarded.	0.000	Very similar organizational culture
14. The pressure to improve personal and group performance.	0.015	Very similar organizational culture
15. The height of performance goals.	0.002	Very similar organizational culture
16. The way conflicts are solved.	0.000	Very similar organizational culture

Note: * the mean difference is significant at 0.05 level.

organizational cultural differences are also correlated with negative effects on socio-cultural disparities, namely a rise in the top management turnover, a decrease in the engagement of workers and an acculturative tension. Besides, the results confirm the report of Triantafyllopoulos and Mporletidis (2014), which notes that M&A outcome is negative due to tension between various cultures and the consequence of the withdrawal from the buyer of several middle-level executives from the acquired bank.

Table 5 shows the omnibus tests of model coefficients for turnover intention. The results indicated that the predictors (managerial communication, managerial support, organizational culture difference, and demographic profile) affected the likelihood of turnover intention at a 5% level of significance. The Chi-squared of 70.25 on 44 degrees of freedom is significant at a 5% level ($p = 0.007 < 0.05$), indicating the ability of the predictors to affect the events of agree (76%) and disagree (24%) on turnover intention of employees in the merged bank.

Table 5. Omnibus tests of model coefficients and model summary for turnover intention

Omnibus tests of model coefficients			
	Chi-squared	**df**	**Sig.**
Step	70.247	44	.007
Block	70.247	44	.007
Model	70.247	44	.007
Model summary			
–2 Log likelihood	**Cox and Snell R-squared**	**Nagelkerke R-squared**	
314.960[a]	.182	.273	

Table 6 shows the classification for predicting events on low-high turnover intention. The clas-

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Table 6. Classification of odd events of turnover intention with a demographic profile

Classification				
		Predicted		
		Turnover intention		
Observed		Disagree = 0	Agree = 1	Percentage correct
	Turnover intention	0.27	1.43	
Disagree = 0	0.27	29	55	34.5
Agree = 1	1.43	17	248	93.6
Overall percentage				79.4

sification allows us to correctly classify (29/844 = 34.5%) that the predicted event (high turnover intention) is observed. This is known as the sensitivity of prediction, the percentage (correct event did occur or high turnover intention did occur), that is, the percentage of occurrences (high turnover intention) correctly predicted. This allows us to correctly classify (248/265 = 93.6) that the predicted event is low turnover intention. This is known as the specificity of prediction, the percentage (correct event did occur, the event is the low turnover intention), that is, the percentage of low turnover intention correctly predicted. Overall, the predictions made in this study are correct 277 out of 349 times, for an overall success rate of 79.4%.

EXP(B) is a shift in odds; that is, if the probability reaches 1, then the odds of the result (high turnover intention) rise; if the number is less than 1, any rise in the indicator corresponds to a decrease in the odds of the outcome.

Factors with *EXP(B)* values less than 1 indicated low turnover intention as shown in Table 7 and enumerated as follows: managerial communication (*M&A process is clear and understandable*, *Exp(B)* = 0.960, p = .001; and *M&A information I gathered is clear and to the point*, *Exp(B)* = 0.973, p = .001); managerial support (*Management style in my department is consultative*, *Exp(B)* = 0.523, p = .001; *Management provides adequate support with the increased burdens/works loads resulted from M&A*, *Exp(B)* = 0.464, p = .001; *Management provides continuous support and creates opportunities to train employees*, *Exp(B)* = 0.991, p = .001; and *Management frequently communicates to employees in the form of regular meetings and feedback about the M&A*, *Exp(B)* = 0.815, p = .001); organizational culture difference (*Acts in a responsible manner towards customers*, *Exp(B)* = 0.843, p = .001; *Explains reasons for decisions to all employees*, *Exp(B)* = 0.691, p = .001; *The autonomy in decision-making given to employees*, *Exp(B)* = 0.558,

Table 7. Variables in the equation to predict the odds of low turnover intention associated with factors and demographic profile

Bootstrap for variables in the equation	B	Sig. (2-tailed)	Exp(B)
Managerial communication			
1. The M&A process is clear and understandable.	–.041	.001	0.960
3. M&A information I gathered is clear and to the point.	–.027	.001	0.973
Managerial support			
2. Management style in my department is consultative.	–.644	.001	0.525
3.Management provides adequate support with the increased burdens/works loads resulted from M&A	–.768	.001	0.464
5. Management provides continuous support and creates to train employees.	–.009	.001	0.991
6. Management frequently communicates to employees in the form of regular meetings and feedback about the M&A.	–.204	.001	0.815
Organizational culture difference			
4. Acts in a responsible manner towards customers.	–.170	.001	0.843
Explains reasons for decisions to all employees.	–.370	.001	0.691
8. The autonomy in decision-making given to employees.	–.583	.001	0.558
12. Adherence to formal rules and procedures.	–.951	.001	0.386
15. The height of performance goals.	–1.093	.001	0.335
Dependent: Turnover intention			

Table 8. Variables in the equation to predict the odds of high turnover intention associated with factors and demographic profile

Bootstrap for variables in the equation			
High turnover intention	**B**	**Sig. (2-tailed)**	**Exp(B)**
Managerial communication			
2. Management and employees may seem to have the same M&A information.	.136	.001	1.146
Managerial support			
1. Management takes care of my concerns and fears about M&A.	.085	.001	1.089
4. Management offers emotional support during the takeover process	.180	.001	1.197
Organizational culture difference			
1. Cares about health and welfare of employees.	.208	.001	1.231
2. The measures used to judge employee performance.	.102	.001	1.107
3. Gives responsibility to employees.	.389	.001	1.475
6. Allows employees to adopt his/her approach to the job.	.162	.001	1.176
7. The communication between departments.	.577	.001	1.781
9. Encourages competition among employees.	.101	.001	1.106
10. Encourages cooperation among employees.	.522	.001	1.686
11. Takes a long-term view.	.095	.001	1.099
13. The way employees are rewarded.	.190	.001	1.209
14. The pressure to improve personal and group performance.	.073	.001	1.075
16. The way conflicts are solved.	.078	.001	1.081
Dependent: Turnover intention			

p = .001; *Adherence to formal rules and procedures*, *Exp(B)* = 0.386, p = .001; and *Height of performance goals Exp(B)* = 0.335, p = .001).

Table 8 contains the factors that influence the high turnover intention. Factors with *EXP(B)* values greater than 1 indicates high turnover intention and are enumerated as follows: managerial communication (*Management and employees may seem to have the same M&A information*, *Exp(B)* = 1.146, p = .001); managerial support (*Management takes care of my concerns and fears on M&A*, *Exp(B)* = 1.089, p = .001; *Management offers emotional support during the takeover process*, *Exp(B)* = 1.197, p = .001); organizational culture difference (*Cares about health and welfare of employees*, *Exp(B)* = 1.231, p = .001; *The measures used to judge employee performance*, *Exp(B)* = 1.107, p = .001; *Gives responsibility to employees*, *Exp(B)* = 1.475, p = .001; *Allows employees adopt his/her own approach to the job*, *Exp(B)* = 1.176, p = .001; *The communication between departments*, *Exp(B)* = 1.781, p = .001;*Encourages competition among employees*, *Exp(B)* = 1.106, p = .001; *Encourages cooperation among employees*, *Exp(B)* = 1.686, p = .001; *Takes long-term view*, *Exp(B)* = 1.099, p = .001; *The way employees are rewarded, Exp(B)* = 1.209, p = .001; *The pressure to improve personal and group performance*, *Exp(B)* = 1.075, p = .001 and *The way conflicts are solved, Exp(B)* = 1.081, p = .001. The results on turnover intention imply that the employees consider finding other employment if there is low managerial communication, lack in managerial support and strong organizational culture difference.

Table 9 shows that turnover intention differs per given demographic profile. Older employees revealed high turnover intention. Females have a lower turnover intention. Higher ranked employees have a lower turnover intention. Employees with less than three years in the bank have a lower turnover intention. Employees from Bank A have a lower turnover intention.

The above results indicated that turnover intention is high when there are miscommunication, lack of managerial support, and strong cultural differences in the organization. High turnover intention is present in old, male, lower-ranked employees with more than three years of service and formerly not affiliated with Bank A.

The results contradict the findings of Egalla's (2011) study, which states that age, gender, and tenure do not correlate with turnover intention. The results may differ since the study focused on frontline branch employees of a commercial bank

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Table 9. Variables in the equation to predict the odds of high and low turnover intention associated with a demographic profile

Bootstrap for variables in the equation			
	B	**Sig. (2-tailed)**	**Exp(B)**
Age	.023	.001	1.024
Gender	–.507	.001	0.603
Position	–.016	.001	0.984
Tenure at the time of merger	–.096	.001	0.909
Group	–.128	.001	0.880
Bank affiliation before merger	–.011	.001	0.989
Constant	8.549	.001	5162.010
Dependent: Turnover intention			

not under the post-merger stage, and variables such as managerial communication and organizational culture difference were not included in the research. Besides, the result of the findings contrasts with the conclusion of Olabimitan et al. (2012) that the employees' gender does not influence turnover intention, where the study focused on bank employees of a merged bank in Lagos. The outcome of the turnover intention and tenure relationship varies from that of Martin and Roodt (2008), where the turnover intentions have a substantial relationship with the respondent's tenure, as the findings show that the inverted U-trend is observed for employees of the post-merger South African tertiary institution. Regarding bank affiliation of employees before the merger and its influence on turnover intention, the result supports the study of Triantafyllopoulos and Mporletidis (2014), where merger leads to withdrawal of employees from the acquired bank.

CONCLUSION

Based on the study of merged banks, managerial communication, managerial support, and organizational cultural difference significantly affect turnover intention. High turnover intention exists where there is miscommunication, lack of managerial support, and strong cultural differences in the organization. High turnover intention is present in old, male, lower-ranked employees with more than three years of service and formerly affiliated with a less populated bank.

Considering that managerial communication affects turnover intention, the study commends that those companies undergoing organizational change or have plans towards a merger must be open and honest at the post-merger stage to help employees feel secure. Communication must address fundamental human concerns such as what is going to happen to the employees, expectations from them as well as the benefit since employees involved in M&A are likely committed to the outcome of the merger. Apart from providing honest managerial communication and a strong top-down relationship, the manager must offer support and encouragement as he/she is central to the determination of employees' emotions. Employees with depressive feelings during the post-merger stage should be handled by management intervention to minimize the possible resistance activity and turnover intention. Since there is organizational cultural difference present in a merged bank, managers must be consistent in communication and behavior by listening to the employees' concerns and fears, respecting others' opinions, helping employees manage the additional workloads, and demonstrating to employees that they are crucial to success.

It is further recommended that future studies should cover the M&A of other banks, including commercial banks, thrift banks, and rural banks in the Philippines, to differentiate the issues encountered and the effect of time from the merger announcement to the time survey is conducted.

AUTHOR CONTRIBUTIONS

Conceptualization: Myra V. De Leon.
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Validation: Myra V. De Leon.
Visualization: Myra V. De Leon.
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