8. Antecedents and Consequences of Work Satisfaction and Organizational Commitment in the Merger Process

by Muafi Muafi

ANTECEDENTS AND CONSEQUENCES OF WORK SATISFACTION AND ORGANIZATIONAL COMMITMENT IN THE MERGER PROCESS

Muafi
muafipaciran@gmail.com
Universitas Pembangunan Nasional "Veteran" Yogyakarta

ABSTRAK

Dalam proses penggabungan perusahaan dihadapkan pada beberapa tantangan yang berat. Kepuasan kerja karyawan yang meningkat dan komitmen kerja yang tinggi diperlukan agar proses penggabungan perusahaan berjalan sukses dan lancar. Isu strategis dalam proses perubahan organisasi akan berkaitan erat dengan perilaku karyawannya Tujuan penelitian ini adalah untuk menguji dan menganalisis pengaruh positif signifikan: (1) keterlibatan kerja terhadap kepuasan kerja, (2) keterlibatan kerja terhadap komitmen organisasional, (3) keterikatan kerja terhadap kepuasan kerja, (4) keterikatan kerja terhadap komitmen organisasional, (5) kepuasan kerja terhadap komitmen organisasional, (6) komitmen organisasional terhadap kepuasan kerja, (7) kepuasan kerja terhadap perilaku knowledge sharing, dan (8) komitmen organisasional terhadap perilaku knowledge sharing. Penelitian ini dilakukan pada tiga perusahaan manufaktur BUMN di Indonesia yang sedang melakukan proses penggabungan. Jenis penelitian adalah survei dengan menggunakan data primer melalui kuesioner dan wawancara dengan beberapa manajer. Hasil penelitian menyimpulkan bahwa perilaku knowledge sharing disebabkan oleh adanya peningkatan kepuasan kerja dan komitmen organisasional manajer yang disebabkan oleh adanya keterlibatan dan keterikatan kerja manajer saat proses penggabungan berlangsung.

Kata kunci: keterlibatan kerja, keterikatan kerja, kepuasan kerja, komitmen organisasional, perilaku knowledge sharing

ABSTRACT

A company merger process is faced with some serious challenges. An increase in employee job satisfaction and a high work commitment are necessary for the company merger process to run smoothly and successfully. Strategic issues in the process of organizational changes will be closely related to the behavior of its employees. The objective of this research is to test and to analyze the significant positive influence of: (1) work involvement towards work satisfaction, (2) work involvement towards organizational commitment, (3) work engagement towards work satisfaction, (4) work engagement towards organizational commitment, (5) work satisfaction towards organizational commitment, (6) organizational commitment towards work satisfaction, (7) work satisfaction towards knowledge sharing behavior, and (8) organizational commitment towards knowledge sharing behavior. This research is conducted on three manufacturing state-owned enterprises in Indonesia that have been going through merger process. This research is a survey research by using primary data through questionnaires and interviews with several managers. The results show that knowledge sharing behavior is caused by the increase of work satisfaction and managers' organizational commitment. This is mainly caused by work involvement and work engagement in the process of merger.

Keywords: work involvement, work engagement, work satisfaction, organizational commitment, and knowledge sharing behavior

INTRODUCTION

An organization will develop successfully if such organization is able to change over and over and continuously (Piderit, 2000). Those who seek for success need to have commitment to manage organizations'

1

strategies constantly. External and internal environment aspects are having important influences to decide strategies formulation and implementation to increase companies' organizational performances (Hitt *et al.*, 1999; Hunger and Wheelen, 1996). Environment has always been experiencing turbulences and organization needs to anticipate environmental change to succeed (Yousef, 2000a; 2000b). Human resources is the most significant element in change process (Wesley, 1990; Grant, 1998; Kreitner and Kinicki, 2007). Therefore, a fine cooperation between manager and employees as well as strong supports by various parties including company's leaders are necessary (Birnberg and Shield, 1989; Robinson *et al.*, 2004). Kotter (1995) stated that important issues in organizational change are not always stressed on strategic, structural, cultural or systemic aspect but more on employees' behavior. When an organization customizes company structure, employees' behavior will also change (LaCoursiere, 2008; Prochaska and DiClemente, 1982; 1983; 1984) advised that to avoid premature organizational change, human resource is the first thing to be changed.

This research is conducted on three manufacturing state-owned enterprises that are going through organizational change on three different locations. A major project by Indonesian government through State-Owned Enterprise Ministry is to arrange state-owned enterprise restructuring processes by forming and holding on several state-owned enterprises that linked on business similarity. There is an expectation between acquiring and acquired companies to synergize (Wright *et al.*, 2002). A dynamic internal and external change in environment has forced State-Owned Enterprise Ministry to act responsively and accomodatively towards every change that may influence the viability of state-owned enterprises training process. Such change needs to be processed in a way that any negative effect can be minimized. Such changes need to be utilized to empower state-owned enterprise

training system that has been running. Various policies and programs that have been planned will end up as paperworks without real effort from all elements of state-owned enterprise ministry according to each task and authorities. Supports, cooperation and communication from every party, internal or external will contribute major support for their common objectives (Menteri Negara Badan Usaha Milik Negara, 2012).

This research is focused on human resources study in state-owned enterprise merger process in Indonesia. There is a high level of complexity in managing state-owned enterprises' human resources. Several problems such as: employees' attitude that is not supportive towards change, high fanaticism on their own groups, high spirit of regionalism and uncertainty on change itself as well as concern on loss for current position, lack of compensation, career uncertainty and the difficulty of uniting cultures between companies. If such problems cannot be solved, positive outcome from merger process will be detained (Thomson and Strickland, 1995). This is unfortunate seeing how such merger will create value for the companies as well as synergy and reducing conflicts (Anand and Khanna, 2000) between managers and between managers and staff.

Managers and employees are having double function: as members of society and as employees. Therefore, managers as changing agent hold the function of strategic partner in managing change and they have parallel roles in organization. Ulrich (1997) stated that the role of changing agent will be effective if it's conducted by senior official that have similar roles wth vice president. The success of such leaders in their roles as changing agent can be used as role model for all of their members (Kreitner and Kinicki, 2007; Zhou *et al.*, 2004; Holt *et al.*, 2007). This research tries to fill the research gap by studying involvement and engangement role of managers in merger process that holds important

significance on work satisfaction and organizational commitment as well as its influence on managers' sharing knowledge behavior. Knowledge sharing behavior is needed to avoid failure in merger process (Gammelgaard *et al.*, 2004). Knowledge sharing behavior gives important role in creating synergy at the time of merger and acquisition (Oliveira *et al.*, 2003), even though it is fairly troublesome (Bresman *et al.*, 1999).

THEORETICAL REVIEW

In 1990, merger and acquisition had become the favorite option among world CEOs (Sirower, 1998). Even nowadays, such phenomena have been increasing in Asia, Europe and America (Hitt *et al.*, 2001). If these strategies could not be handled and managed in the right way, failure is inevitable (Carper, 1990; Bartfield, 1998). One of the important aspects in this changing process is managers' role as changing agents in stressing on managers' engagement and involvement which hold important role in increasing work satisfaction and organizational commitment. If this condition exists, knowledge sharing behavior is expected to increase among managers.

According to Ulrich (1997) managers' role as changing agents is very broad and challenging. Changing agents shall possess personal qualification, knowledge and certain understanding as well as expertise and skills. Changing agent is important to manage change wisely. Leaders shall try to prepare their members so that they would be willing to change. Experience shows that change success is started from individual change above all, then followed by organizational change (Black and Gregersen, 2003). If said indi- vidual has changed, the next role of changing agent is to motivate their members to behave according to organization's vision and mission. This can be the base to achieve long term organizational performance. There is a necessity for professional human resources to cooperate with their leaders to contribute in making big changes through mind set change of employees to achieve competitive advantage. This is important considering employees as individuals have to be ready as changing agents.

Wesley (1990) explained that between mid and top level managers are having high confidence. Top level managers often concern if mid level managers are involved in formal planning. Managers' psychological aspect needs a major attention because it implies on negative organizational performance in long term (Shah, 2000). Managers often fear on career opportunity, compensation, success or failure as well as psychological aspect. Merger process shall consider employees' psychological aspect and professional management to achieve good results (Sofo, 1999). Yousef (2000a; 2000b) explained that managers often have three attitudes when it comes to merger process: reject the change, accept the change but working as usual, and fit to their ritual which is to fulfill the conditions within organization. They may have affective, cognitive and conative. Affective attitude is related to happy or unhappy feeling on change. Cognitive attitude is reflected from managers' opinion on the good and bad of change, the main benefit and the importance of doing change within the organization. Conative attitude is shows by the managers by actions or behavior to support and reject change in the future. Actions from affective and cognitive attitude will reflect managers' behavior. Therefore, managers' reaction on change is shown from such components. It is possible that such components will change on certain situation and condition, depend on the situation and pressure from external environment faced by the managers.

Work Involvement, Work Engagement, Work Satisfaction and Organizational Commitment

Work involvement has surfaced as important variable in the research of human resource and caught the attention of

management academicians as well as organization psychology. Work involvement concept holds an important role in organization development. This can be seen from several researches that had been providing evidence on the importance of one's work involvement in an organization and the consequences on said organization (Khan and Nemati, 2011; Mudrack, 2004).

Involvement includes popular ideas such as employees' participation or partisipative management, workplace democracy, authority delegation and employees' ownership. Although every idea has its own unique characteristic, such ideas have the same core which is employees' work involvement (Robbins, 1996). Robbins (1996) defined work involvement as a participative process that uses employees' capacity altogether and designed to push commitment for organization's success. The base logic is that employees' involvement in decision making will influence employees and autonomy as well as employees control on their work life so that it will motivate them even more, loyal to organization, productive and satisfied by their jobs. Work involvement can be defined as participation process that uses employees capacity altogether and designed to increase commitment for organization success (Sashkin, 1984). Davis and Newstrom (1989) defined work involvement as how dilligent a person can be as well as time and energy management in their job and how they view their job as an important part of their lives. Lodahl and Kejner (1965) stated that work involvement is important to make employees having major hope on their jobs, involved emotionally to their jobs, building responsibility to their jobs, pride and willingness for job mobility.

Cohen (1999), Robinson *et al.* (2004) stated that if one is having high involvement it could create a better performance and active participation in doing jobs and tasks. Employees are having positive attitude towards organization and the values within. In responding to change, organi-

zation needs to gain advantage and improve effectiveness in responding change itself (Saucer and Saucer, 2002). Employees who are involved to their jobs will influence their work satisfaction (Kanungo, 1982a; 1982b; Brown, 1996; Jamal and Badawi, 1995; WYK *et al.,* 2003; Khan and Nemati, 2011), and organizational commitment (Loui, 1995; Ho *et al.,* 2012). Basu *et al.* (2002) explained that senior management's involvement when changing process has been going holds important role in increasing change success. Senior management should have a high involvement and willing to learn on change itself about the scope, objective and approach to achieve commitment. Roach and Mc McGaughey (1997) added that managers should have involvement in the process of planning and implementation from change itself.

Managers who are not resistant on change will always promote positive benefit from change. Through a good communication mechanism, managers could facilitate their staff to make meaningful decisions on their tasks and responsibilities. Managers should view their staff as organization's asset (Kelman, 2005). Managers should be supported by all staff from the process of merger until post merger because several studies stated that there is a relationship between work involvement and managers' work satisfaction (Strümpher, 1997; Mishra, 1997; Shragay and Tziner, 2011). Managers are also believe that if they high level of work involvement, it will increase organizational commitment affectively, cognitively or conatively (Loui, 1995; Ho *et al.,* 2012).

Work engagement can be defined as an effort from one as a part of an organization to engage oneself to the organization where he is working with the role he is appointed to. One's existence, physically or psychologically when playing one's role in an organization also contributes a proof that one is having work engagement in the organization (Kahn, 1990). Rich and Lepine (2010) added that if one is having positive attitude to organization as well as values

within organization, it means that one is having high work engagement to the organization. If one is having high engagement, one tends to pay deep attention in understanding business contexts and cooperation ith their partners to improve team performance to gain advantage for the company.

Rich and Lepine (2010) stated that if one is having a high engagement, it means one is psychologically committeed to one task and role. Employee who has work engagement tends to involve and express himself physically, cognitively and emotionally when he is playing his role. Physical aspect includes how much physical energy he is using in doing his job. Cognitive aspect includes employee's belief on the organization, leader and work condition. Emotional aspect includes employee's feeling on above three, including employee's positive or negative feeling towards organization and leaders. Kahn (1990) added that employees' engagement focuses on psychologic work experience and forming the process of whether one's heart and mind exist or not in doing one's task. Those who are not engaged tend to remove themselves from their role emotionally and cognitively. They will act like a robot, not showing effort and not doing their responsible completely (Kahn, 1990).

Schaufeli *et al.* (2009) stated that the biggest leverage factor on employees' engagement is that employees have the feeling to be engaged and appreciated by the organization. Companies' initivaties could give away this factor, but it is still up to the individuals and their initiatives on what they want. Employees' engagement as an adhesive to the organization supports company's strategies and values so that employees will be motivated to work hard to succeed (Christian *et al.*, 2011). Schaufeli *et al.* (2002) stated that work engagement of employees has several characteristics: (1) vigor, which is employees' characteristic that is shown by the level of high ability and stable mental power in doing their jobs, (2)

dedication, which is employees' characteristic that is shows by strong work involvement, big work passion and like challenges, (3) absorption, which is employees' characteristic that concentrates and happy to do their job do not like to waste time in doing jobs.

Rich and Lepine (2010) added that employees can be classified into three categories: (1) engaged employees. The employees are enthutiasts and feel a deep relationship with their companies and become a part when innovative ideas emerge; (2) not-engaged employees. The employess are no longer think to do better for their companies and like sleepwalkers. They spend the time to work but not giving enough energy in what they do; (3) actively disengaged employees. The employees are not only dissatisfied with in their workplaces and openly show their dissatisfaction in workplace. Every day they depend and gnaw on what their partners have come up with.

The results show that if one is having a high work engagement it will influence their work satisfaction (Ram and Prabhakar, 2011; Harter *et al.*, 2002; Biswas and Bhatnagar, 2013) and influence on their organizational commitment (De Lacy, 2009). Employees that have high work engagement will always like organizations with high dynamic condition (Tegarden *et al.*, 2005). This is due to work engagement that is identified as a main construct related to managers' psychological condition in workplace (Luthans and Peterson, 2004). Researches show that managers with experience in managing stable emotion will be able to produce high work satisfaction (Biswas and Bhatnagar, 2013). High level of work engagement will reflect how big their confidence and loyalty is related to individual and organizational. This belief shows how big their commitment is towards organization (Biswas and Bhatnagar, 2013).

H_1 : Work involvement (Wi) has a positive influence on managers' work satisfaction (Sat) on companies that are going through merger process.

H_2 : Work involvement (Wi) has a positive influence on managers' organizational commitment (Com) on companies that are going through merger process.

H_3 : Work engagement (We) has a positive influence on managers' work satisfaction (Sat) on companies that are going through merger process.

H_4 : Work engagement (We) has a positive influence on managers' organizational commitment (Com) on companies that are going through merger process.

Work Satisfaction, Organizational Commitment and Knowledge Sharing Behavior

Brayfield *et al.* (1951) was the first person that gave the understanding of work satisfaction concept. They assumed that work satisfaction was originated from one's attitude on their jobs. Moreover, Morse (1953) stated that basically work satisfaction depends on what one wants from one's job. Locke (1976) defined work satisfaction as a positive emotional state as a result from work judgment or work experience. (Spector, 1997; Davis, 1985) added that work satisfaction refers on positive emotional reaction of an individual for certain job as well as how far people like (satisfied) or dislike (dissatisfied) their jobs. This means that one could be satisfied with one aspect and not with other aspects. Satisfaction may relate to: (1) job itself for instance: salary or wages, relationship between employees, career, organizational structure and various others, or; (2) personal condition such as: gender, age, education, work experience and various others.

Meyer and Allen (1997) defined organizational commitment as relative force from individual identification and engagement in certain organization. Such characteristics including faith and acceptance as well as engagement within organization, willingness to put effort for the sake of organization and willingness to sustain membership within organization. Moreover, Allen and Meyer (1993; 1990) divided organizati-

onal commitment into three: affective commitment, continuance commitment and normative commitment. Such division existed because they viewed that organizational commitment could not be viewed as a whole construct with several dimensions within. Definitions for these three dimensions are: (a). Affective commitment, which is the willingness to stay in the organization because there is a fit between organization's value and an employee's value; (b). Continuance commitment related to employees' investment within the organization including energy, mind, time that would be loss if they leave the organization. The employees are staying because they refuse to lose reward that they could receive from the organization for their jobs; (c). Normative commitment is a commitment of an employee because such employee obliges to be loyal to the organization and a high obligatory feeling to keep working in the organization.

Several researches found that work satisfaction influences organizational commitment (Chughtai and Zafar, 2006; Jonathan *et al.*, 2013; Tahere *et al.*, 2012) and organizational commitment influences work satisfaction (Cantisano *et al.*, 2008; Gomes, 2009). Work satisfaction and organizational commitment have a positive influence on the increase of knowledge sharing behavior. If one is having high work satisfaction it will influence knowledge sharing behavior (Mogotsi, 2009). The same thing applies to those who have high organizational commitment will also influence the increase of knowledge sharing behavior (Demirel and Goc, 2013). Knowledge sharing process between leaders or between leaders and employees are imperative to increase added value for organizations to gain competitive advantage (Nonaka and Takeuchi, 1995a; 1995b; Quiin *et al.*, 1996). Knowledge sharing is a combination from various companies' aspects including best practices transfer on overall companies' units (Kogut and Zander, 1993). Gupta and Govindarajan (2000) added that if a company wants to

have a better performance it needs to be supported with knowledge sharing on said organizations. It needs to be noted that only few companies are succeeding in doing knowledge sharing (Ruggles, 1998). Only functional managers with expected expertise could have the ability to initiate change (Hambrick and Mason, 1984). Managers are demanded to detach themselves from political agenda when merger process are running so it will be corruption practice-free (Kaufman and Siegelbaum, 1996). Wesley (1990) added that middle manager will be dissatisfied if they are not included in the process of strategic decision making when change process is running.

H_5: Work satisfaction (Sat) has a positive influence on managers' organizational commitment (Com) on companies that are going through merger process.

H_6: Organizational commitment (Com) has a positive influence on managers' work satisfaction (Sat) on companies that are going through merger process.

H_7: Work satisfaction (Sat) has a positive influence on knowledge sharing behavior on companies that are going through merger process.

H_8: Organizational commitment (Com) has a positive influence on knowledge sharing behavior (Ks) on companies that are going through merger process.

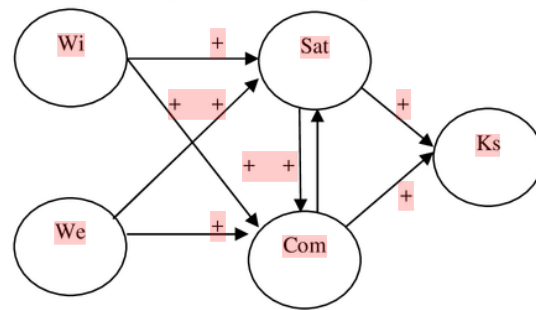Based on the explanation, the proposed equation model is as shown in Figure 1.

Figure 1
Research Model

Source:

H_1: Kanungo (1982a; 1982b); Brown (1996); Jamal and Badawi (1995); WYK, *et al.* (2003); Khan and Nemati (2011); Strümpher (1997); Mishra (1997); Shragay and Tziner (2011)

H_2: Robbins (1996); Sashkin (1984); Lodal and Kejner (1965); Loui, 1995; Ho *et al.* (2012); Basu *et al.* (2002); Loui (1995); Ho *et al.* (2012).

H_3: Ram and Prabhakar (2011); Harter, *et al.* (2002); Biswas and Bhatnagar (2013).

H_4: Rich and Lepine (2010); De Lacy (2009); Biswas and Bhatnagar (2013).

H_5: Chughtai and Zafar, 2006; Jonathan, *et al.* (2013); Tahere, *et al.* (2012).

H_6: Cantisano, *et al.* (2008); Gomes (2009).

H_7: Mogotsi (2009)

H_8: Mogotsi (2009); Demirel and Goc (2013).

RESEARCH METHOD

This study is conducted on three state-owned enterprises in Indonesia that have become public companies. Several years ago government had merged these three companies. Ever since, these state-owned enterprises have been restructurized to gain the right merging format with the demands of stakeholders, government and environment. This research is a survey research by using questionnaires with cross section method. Primary data are used through questionnaires by the managers from said companies as well as interviews. The

population in this study is all managers from: (1) main directorate consists of: communication division, human resource division, risk management division and company development division, (2) production directorate consists of: production compartment, materials production division and technique, 3) R&D and operational directorate consists of: supply division and stock management, engineering division, R&D division and quality control, (4) marketing directorate consists of sales division, distribution and transportation division, marketing development, development division, and (5) financial division consists of: financial division, accounting division, information system division and general division. The targets are 180 managers as targets with each company contribute 60 managers. The results from questionnaires show that there are 165 managers answer the questions completely and adequate to be analyzed (response rate of 91.6%).

Scale formulation technique used for work involvement, work engagement, work satisfaction, organizational commitment and knowledge sharing behavior are Likert scale with 7 alternative answers: 1 for Very Disagree up to 7 for Very Very Agree. Work involvement (Wi) with 10 items referred to questionnaires by Kanungo (1982a). Work engagement (We) referred to *Utrecht Work Engagement Scale* (Schaufeli and Bakker, 2003) with three indicators: vigor (6 items), dedication (5 items) and absorption (6 items). Work satisfaction (Sat) used 20 items referred to *Minnesota Satisfaction Questionnaire* (Weiss *et al.*, 1967), measured with two intrinsic and extrinsic factors with 20 items. Organizational commitment (Com) referred to Meyer *et al.* (1993) with three indicators: affective commitment (8 items), continuance commitment (8 items) and normative commitment (8 items). Knowledge sharing behavior (Ks) referred to SECI model (Schulze and Hoegl, 2008; Jia *et al.*, 2012)

with four indicators: socialization (3 items) externalization (2 items), combination (3 items), and internalization (2 items).

Data analysis technique used GSCA technique. The reason behind this decision is that GSCA is a powerful technique (Wold, 1985), because it does not have to have normal distribution and it doesn't have to use big data, it can be used on the relationship between complex variables (recursive & non recursive) (Hwang and Takane, 2004). In practice, GSCA allows multicolinierity which is the existence of strong correlation between exogenous variables (Hwang, 2009).

ANALYSIS AND DISCUSSION
Results

Respondents' characteristic descriptions in this research are viewed based on gender, age, work unit and education as can be seen on Table 1. Based on Table 1, it can be described that respondents in this research are mostly males (69.1%), age 42-47 years old (33.3%), working on main directorate (40%) and have bachelor degree (73.9%).

Validity and Reliability Measurement

In this research, validity and reliability measurement are done with GSCA. Convergent validity test is done by looking at loading factor with cut off point ≥ 0.5 (Hair *et al.*, 1995). The results show that all items are having value of loading factor ≥ 0.5.

For other validity test, author used discriminant validity test by comparing the value of AVE (Average Variance Extracted) with correlation between variables. If the value of AVE is higher than correlation between variables, it means that said variable is having a good validity.

The result shows that the value of AVE (diagonal) is higher than the value of correlation between other variables which means that it has high discriminant validity (Table 2).

Table 1
Respondents' Characteristics

No.	Respondents' Characteristics	Frequency	Percent
1.	Gender		
	Male	114	69.1
	Female	51	30.6
2.	Age		
	24 – 29	7	4.2
	30 – 35	15	9.1
	36 – 41	51	30.9
	42 – 47	55	33.3
	> 48	37	22.4
3.	Directorate		
	Main Directorate	66	40.0
	Operational Directorate	24	14.6
	R&D Directorate	23	13.9
	Marketing Directorate	39	23.6
	Financial Directorate	13	7.9
4.	Education		
	Masters/Doctor	122	25.2
	Bachelor/Diploma	42	73.9
	Senior High School	1	6
	Total	165	100

Source: Authors' own calculation

Table 2
Correlation between Variables, AVE and Cronbachs Alpha

	1	2	3	4	5	Cronbachs Alpha
Work involvement (Wi) (1)	**0.651**					0.614
Work Engagement (We) (2)	0.353	**0.648**				0.677
Work satisfaction (Sat) (3)	0.409	0.399	**0.642**			0.621
Organizational Commitment (Com) (4)	0.422	0.501	0.446	**0.572**		0.701
Knowledge sharing behavior (Ks) (5)	0.433	0.544	0.401	0.532	**0.605**	0.658

Source: Author's calculation

Reliability test is tested with Cronbach Alpha with *cut off point*≥ 0.6 (Roostika, 2011). The result shows that all variables are having cronbach alpha above 0.6 (Table 2).

Hypotheses Test

The results for hypotheses test for relationship between variables are as following in Figure 2 and Table 3.

Discussion

The results conclude that all hypotheses are accepted. Work involvement has a positive significant influence on manager's work satisfaction on companies that are going through merger process. When merger process is going on, work involvement from managers are highly needed. Managers have big and important roles when big changes are going on in an organization

(White and Bednar, 1984). There is a necessity for a manager with strong and durable leadership because there will be complex problems to be dealt with. If managers are able to manage time and energy for their jobs and viewing changes as an important matter in their lives, it will make managers' satisfaction and commitment to increase. Managers have the needs to be able to manage changes to keep growing. This means that this result support the researches from Kanungo (1982a; 1982b; Brown, 1996; Jamal and Badawi, 1995; WYK *et al.*, 2003; Khan and Nemati, 2011) that employees with high involvement in their job will increase their work satisfaction and organizational commitment (Loui, 1995; Ho *et al.*, 2012).
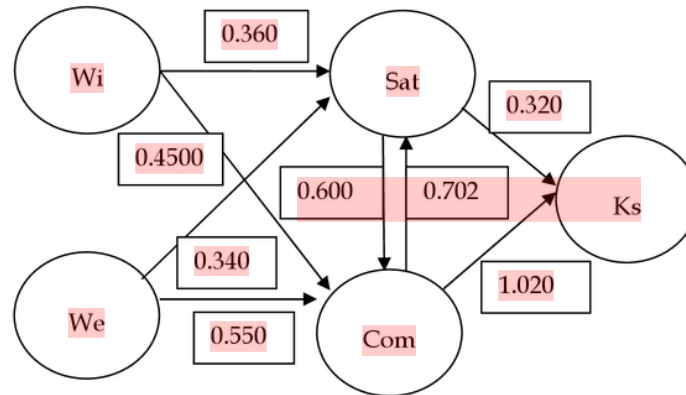
Source: Authors

Figure 2
Result of the Structural Model

Table 3
Path Coefficients

Path coefficient	Estimate	SE	CR	Result
$H_1 : Wi \rightarrow Sat$	0.360	0.072	5.00*	H_1 is accepted
$H_2 : Wi \rightarrow Com$	0.450	0.179	2.51*	H_2 is accepted
$H_3 : We \rightarrow Sat$	0.340	0.104	3.26*	H_3 is accepted
$H_4 : We \rightarrow Com$	0.550	0.172	3.19*	H_4 is accepted
$H_5 : Sat \rightarrow Com$	0.600	0.276	2.17*	H_5 is accepted
$H_6 : Com \rightarrow Sat$	0.702	0.200	3.51*	H_6 is accepted
$H_7 : Sat \rightarrow KS$	0.320	0.118	2.77*	H_7 is accepted
$H_8 : Com \rightarrow KS$	1.020	0.437	2.33*	H_8 is accepted

Note: * significant at alpha 5%
Source: Authors' own calculation

Managers could also build their organizational commitment by involving their employees through several change processes (Daft, 2007). First, preparation step, employees listen to the change through memos, meeting or speech. Being aware of such change and having positive perception on change is necessary. Second, acceptance step, leaders must help employees to develop understanding on the overall influence from change and positive outcome of change. When employees accept such change positively, decision for implementation has been made. Third, commitment

step by giving chance on leaders to discuss problems and concerns as well as building commitment to take action. Fourth, instituti onalization, it means employees are not viewing change as a new thing but as a normal and integral part of organizations' operation.

Manager must make effort for employees to feel involved and appreciated by the organization so that they will have an involvement on their jobs and organizations. Managers and employees must fully support company's change strategy so they will be motivated to work hard to aim for success in change. This is characterized by: (1) vigor, (2) dedication, dan (3) absorption. Managers and employees with high involvement and engagement will be psychologically committed to their tasks and roles and even more if managers are satisfied with what they gain from internal and external aspects. Managers' satisfaction on their jobs, comfortability on working environment and satisfaction on incentive will make them even more involved with their jobs related to their organizations. Manager will identify themselves as a part from organizations and organizations as part of themselves. Managers will also be even more obliged to subjugate and loyal to their organizations as well as supportive on the success of change. They will have a high confidence on their organizations, leaders and organization itself. They will be willingly spending physical energy to do their tasks and have positive affection on change itself. This research also found that managers with high organizational commitment will increase work satisfaction. This explanation supports finding from Chughtai and Zafar (2006; Jonathan *et al.*, 2013; Tahere *et al.*, 2012) that work satisfaction has a significant influence on organizational commitment and organizational commitment has a significant influence on work satisfaction (Cantisano *et al.*, 2008; Gomes, 2009).

Managers and staff with increased organizational commitment and work satisfaction will be motivated to make the change succeed which will increase their knowledge sharing behavior. Several steps that could be taken for the success of change implementation process by managers are: (1) (1) establishing a sense of urgency, (2) forming a powerful guiding coalition, (3) creating a vision, (4) communicating the vision, (5) empowering others to act on the vision, (6) planning for and creating short term wins, (7) consolidating improvements and producing still more change and (8) institutionalizing new approach (Kotter, 1995). Through SECI model, change can run succesfully. Socialization could be done through information sharing process between individuals in an organization by simple conversation. In this process, there is a transfer process from tacit knowledge to tacit knowledge. Communication process can be done by managers in a group, individually, organization or with stakeholders from outside organizations. Next, externalization can be achieved, which is a transfer process from tacit knowledge to explicit knowledge. Change process needs a transformation process from tacit knowledge into SOP, magazine, books, journals and various others. In this process, information technology is imperative.

Next step, manager needs to share knowledge through combination which is transfer process from explicit knowledge to explicit knowledge and organized into indexed and repositories. Organization may summarize important documents into manuals. Putting informations together into a media, sort them based on certain system dan decimate them to all members of organization. Next, managers could do internalization which is transferred from explicit knowledge to tacit knowledge. This knowledge transfer process will go over and over, forming a cycle. Several processes in sharing this knowledge will keep circling and developed from time to time. The result from interviews with several managers showed that challenged in sharing knowledge on change implementation is very

heavy. It needs a long time, support from financial aspect as well as non-financial aspect, fear or failure, fear from those who are against the objective and lack of conducive climate within organization so they could not create a good organizational learning. This is because all three companies are located so far apart and employees are affected by difference of organizational culture. Employees have been faithful to values and norm that they are used to for years from organizational culture internalization as well as local culture. Nevertheless, if knowledge sharing processes by the managers are deemed as a success, organizational performance is expected to increase. Looking forward, the effort to increase work satisfaction and organizational commitment need to be paid attention by the companies because they have positive influence for knowledge sharing behavior increase (Mogotsi, 2009; Demirel and Goc, 2013). Managers need to be able to create and motivate their staff to keep learning and support change process.

CONCLUSION AND SUGGESTION

Knowledge sharing behavior is caused by the increase of work satisfaction and managers' organizational commitment due to work involvement and work engagement when merger process is happening. In merger process and post merger, managers hold important roles as changing agents and need to pay attention on the effort to improve work involvement and work engagement between managers or between managers and staff so that it will have an influence in increasing work performance and organizational commitment. Therefore, there is an expectation for knowledge sharing behavior improvement within the organization.

Practical Implication

First, managers have positive perception in doing knowledge sharing in their organizations during changing process. Therefore, organizations and leaders shall provide facilities to increase this condition because have high work satisfaction and organizational commitment. This condition is cause by they have high work involvement and work engagement during change process. *Second*, organizations' leaders on each state-owned enterprises should be able to create a conducive climate in workplace in supporting knowledge sharing behavior between managers, between managers and employees, between managers with leaders for each state-owned enterprises that will be merged. *Third*, knowledge management system on these state-owned enterprise organizations shall be developed to create a superior organization based on knowledge management. Future researches shall focus on several research limitations. *First*, by considering consequences from knowledge sharing behavior so the effect could be studied on other aspects, for instance organizational performance and capability advantage in knowledge management (Oliveira *et al.*, 2003). *Second*, longitudinal test shall be conducted to test the behavior of knowledge sharing from managers and employees from the start to finish of merger process. *Third*, other respondents such as employees as well as their perceptions on change success shall be considered.

REFERENCES

Allen, N. J. and J. P. Meyer. 1990. The Measurement and Antecedent of Affective, Continuance and Normative Commitment to the Organizations. *Journal of Occupational Psychology* 63: 1-8.

--------. 1993. Organizational Commitment: Evidence of Career Stage Effects? *Journal Business Research* 26: 49-61.

Anand, B. N. and T. Khanna. 2000. Do Firms Learn to Create Value? The Case of Alliance. *Strategic Management Journal* 21: 295-315.

Bartfield, R. 1998. Creating Value through Mergers. *The Bankers*: 24-5.

Basu, V., E. Hartono, A. Lederer and V. Sethi. 2002. The Impact of Organizati-

onal Commitment, Senior Management Involvement, and Team Involvement on Strategic Information Systems Planning. *Information and Management* 39(6): 513-524.

Binberg, J. G. and J. F. Shields. 1989. Three Decades of Behavioral Accounting Research: A Search for Order. *Behavioral Research in Accounting* 1: 23-74.

Biswas, S. and J. Bhatnagar. 2013. Mediator Analysis of Employee Engagement: Role of Perceived Organizational Support, P-O Fit, Organizational Commitment and Job Satisfaction. *VIKALPA* 38(1): 27 – 40.

Black, J. S. and H. B. Gregersen. 2003. *Leading Strategic Change*. Pearson Education, Inc. New Jersey.

Brayfield, A. H. and H .F. Rothe. 1951. An Index of Job Satisfaction. *Journal of Applied Psychology* 35: 307-311.

Bresman, H., J. Birkinshaw and R. Nobel. 1999. Knowledge Transfer in International Acquisitions. *Journal of International Business Studies* 30(3): 439-462.

Brown, S. P. 1996. A Meta-Analysis and Review of Organizational Research on Job Involvement. *Psychological Bulletin* 120: 235-255.

Cantisano, G. T., J. F. N. Domínguez, and M. Depolo. 2008. Psychological Contract Breach and Outcomes: Combining Meta-Analysis and Structural Equation Models. *Psicothema* 20(3): 487-496.

Carper, W. E. 1990. Corporate Acquisition and Shareholder Wealth; A Review and Explanotory Analysis. *Journal of Management* 16: 807-23.

Christian, M. S., A. S. Garza and J. E. Slaughter. 2011. Work Engagement: A Quantitative Review and Test of Its Relations with Task and Contextual Performance. *Personnel Psychology* 64: 89-136.

Chughtai, A. A. and S. Zafar. 2006. Antecedents and Consequences of Organizational Commitment among Pakistani University Teachers. *Applied H.R.M. Research* 11(1): 39-64.

Cohen, A. 1999. Relationships among Five Forms of Commitment: An Empirical Assessment. *Journal of Organization Behavior* 20: 285-308.

Daft, R. L. 2007. *Organization Theory and Design*. 11th ed. South-Western 5191 Natorp Boulevard Mason. USA.

Davis, K. 1985. *Human Behavior at Work: Organizational Behavior*. McGraw Hill Company, Inc. Blacklick Ohio USA.

Davis, K. and J. W. Newstrom. 1989. *Human Behaviour at Work: Organizational Behaviour*. 8th ed. Mc Graw Hill Book Co. Singapore.

De Lacy, J. C. 2009. Employee Engagement: The Development of a Three Dimensional Model of Engagement; and an Exploration of Its Relationship with Affective Leader Behaviours. *Research Paper*. Master of Business School of Management Quenssland University of Technology. Australia.

Demirel, Y. and K. Goc. 2013. The Impact of Organizational Commitment on Knowlegde Sharing. *1st Annual International Interdisciplinary ConferenceAIIC 2013 24-26 April Azores Portugal*: 954-963.

Gammelgaard, J., K. Husted, and S. Michailova. 2004. Knowledge-Sharing Behavior and Post-acquisition Integration Failure. *CKG Working Paper*. Department of Management, Politics and Philosophy Copenhagen Business School the Center for Knowledge Governance Blaagaardsgade 23 B DK-2200 Copenhagen N Denmark.

Gomes, D. R. 2009. Organizational Change and Job Satisfaction: The Mediating Role of Organizational Commitment. *Exedra* 1: 177-196.

Grant, R. M. 1998. *Contemporary Strategy Analysis. Concept, Techniques, Applications*. 2nd ed. Blackwell Publishing. Oxford.

Gupta, A. K. and V. Govindarajan. 2000. Knowledge Flows within Multinational Corporation. *Strategic Management Journal* 21(4): 473-496.

Hair, J. F., R. E. Anderson., R. L. Tathan, and W.C. Black. 1995. *Multivariate Data Analysis.* 4th ed. Prentice Hall. New Jersey.

Hambrick, D. C. and P. A. Mason. 1984. Upper Echelon the Organization as a Reflection of Its Top Manager. *Academy of Management Review* 9: 193-206.

Harter, J. K., F. L. Schmidt, and T. L. Hayes. 2002. Business-Unit-Level Relationship between Employee Satisfaction, Employee Engagement, and Business Outcomes: A Meta-Analysis. *Journal of Applied Psychology* 8(2): 268-279.

Hitt, M. A., R. D. Ireland, and J. S. Harrison. 2001. Mergers and Acquisition; A Value Creating or Value Destroying Strategy. *Handbook of Strategy Management.* Blackwell Publisher. Malden MA.

Hitt, M. A., R. D. Ireland, and R. E. Hoskisson. 1999. *Strategic Management. Competitiveness and Globalization.* International Thompson Publishing. Cincinnati Ohio.

Ho, C. C., B. Oldenburg, G. Day, and J. Sun. 2012. Work Values, Job Involvement, and Organizational Commitment in Taiwanese Nurses. *International Journal of Psychology and Behavioral Sciences* 2(3): 64-70.

Holt, D. T., A. A. Armenakis, H. S. Field, and S. G. Harris. 2007. Readiness for Organizational Change: The Systematic Development of a Scale. *Journal of Apllied Behavioral Science* 43: 232–255.

Hunger, J. D and T. L. Wheelen. 1996. *Strategic Management.* Addison Wesley Publishing Company Inc. USA.

Hwang, H. and Y. Takane. 2004. Generalized Structured Component Analysis. *Psychometrika* 69(1): 81-99.

Hwang, H. 2009. Regularized Generalized Structured Component Analysis. *Psychometrika* 74: 517- 530.

Jamal, M. and J. A. Badawi. 1995. Nonstandard Work Schedules and Work and Nonwork Experiences of Muslim Immigrants. *Journal of Social Behavior and Personality* 10(2): 395-408.

Jia, F., J. SongGen, and Y. Shi. 2012. The Application of Socialization Externalization Combination Internalization Model in Library Knowledge Management. *Advances in Biomedical Engineering* 10: 359-363.

Jonathan, H., C. Darroux, and J. Massele. 2013. Perceived Job Satisfaction and Its Impact on Organizational Commitment: An Empirical Study of Public Secondary School Teachers in Dodoma, Tanzania. *IOSR Journal of Business and Management* 13(3): 41-52.

Kahn, W. A. 1990. Psychological Conditions of Personal Engagement and Disengagement at Work. *Academy of Management Journal* 33(4): 692-724.

Kanungo, R. N. 1982a. Measurement of Job and Work Involvement. *Journal of Applied Psychology* 67(3): 341-49.

-------. 1982b. *Work Alienation: An Integrative Approach.* Praeger. New York.

Kaufman, D. and P. Siegelbaum. 1996. Privatization and Corruption in Transition Economies. *Journal of International Affairs* 50(2): 419-456.

Kelman, S. 2005. *Unleashing Change: A Study of Organizational Renewal in Government.* Brookings Institution Press. Washington DC.

Khan, K. and A. R. Nemati. 2011. Impact of Job Involvement on Employee Satisfaction: A Study Based on Medical Doctors Working at Riphah International University Teaching Hospitals in Pakistan. *African Journal of Business Mana-gemen* 5(6): 2241-2246.

Kogut, B. and U. Zander. 1993. Knowledge of the Firm and the Evolutionary Theory of the Multinational Corporation. *Journal of International Business Studies* 24: 625-645.

Kotter, J. P. 1995. Leading Change; Why Transformation Efforts Fail. *Harvard Business Review* 73(2): 59-67.

Kreitner, R. and A. Kinicki. 2007. *Organizational Behavior.* 7th ed. McGraw Hill. New York.

LaCoursiere, J. A. 2008. Stages of Relationship Change adn Individual and Couple Adjusment. University of Kentucky. *Theses.* 521.

Locke, E. 1976. The Nature and Causes of Job Satisfaction. *Handbook of Industrial and Organizational Psychology* (1297–1349). Rand McNally. Chicago.

Lodahl. T. M. and M. Kejner. 1965. The definition and Measurement of Job Involvement. *Journal of Applied Psychology* 49: 24 – 33.

Loui, K. 1995. Understanding Employee Commitment in the Public Organization: A Study of the Juvenile Detention Center. *International Journal of Public Administration* 18(8): 1269-1295.

Luthans, F. and S. J. Peterson. 2003. 360-degree Feedback with Systematic Coaching: Empirical Analysis Suggests a Winning Combination. *Human Resource Management* 42(3): 243-256.

Menteri Negara Badan Usaha Milik Negara. 2012. Perubahan atas Keputusan Menteri Badan Usaha Milik Negara Nomor kep-17/mbu/2010 tentang rencana strategis Kementerian badan usaha milik negara Periode 2010-2014.

Meyer, J. and N. Allen. 1997. *Commitment in the Workplace: Theory, Research, and Application.* Sage Publications. USA.

Meyer, J. P., N. J. Allen, and A. Smith. 1993. Commitment to Organization and Occupation Extensions and Test of Three Component Conceptualization. *Journal of Applied Psychology* 78(4): 538-351.

Mishra, P. C. 1997. Underparticipation Stressor as Moderator Variable of the Job Involvement-Job Satisfaction Relationship. *Psychological Studies* 42(1): 1-4.

Mogotsi, I. C. 2009. An Empirical Investigation into the Relationship among Knowledge Sharing Behaviour, Organizational Citizenship Behavior, Job Satisfaction and Organizational Commitment. *Disertation.* University of Pretoria: 1 – 189.

Morse, N. C. 1953. *Satisfactions in White Collar Job.* Ann Arbor University of Michigan. USA.

Mudrack P. E. 2004. Job Involvement, Obsessive-Compulsive Personality Traits, and Workaholic Behavioral Tendencies. *Journal of Organization Change Manage* 17(5): 490-508.

Nonaka, I. and H. Takeuchi. 1995a. *the Knowledge-Creating Company.* Oxford University Press. New York.

-------. 1995b. *Classic Work: Theory of Organizational Knowledge Creation, the Knowledge-Creating Company.* Oxford University Press. Oxford.

Oliveira, P. M., A. V. Roth, and K. M. Ponte. 2003. Cross-Border Mergers and Acquisitions as A Tool to Transfer Knowledge and Foster Competitive Capabilities. *International Journal Technology, Policy and Management* 3(2): 204-223.

Piderit, S. K. 2000. Rethinking Resistance and Recognizing Ambivalence. A Multidimensional View of Attitudes toward an Organizational Change. *Academy of Management* 25: 783-794.

Prochaska, J. O. and C. C. DiClemente. 1983. Stages and Processes of Selfchangeof Smoking: Toward an Integrative Model of Change. *Journal of Consulting & Clinical Psychology* 51: 390-395.

------. 1982. *Transtheoretical Therapy: Towards More Integrative Model of Change. Psychotherapy: Theory, Research & Practice* 19: 276-288.

------. 1984. *The Transtheoretical Aapproach: Crossing Traditional Boundaries of Therapy.* Dow Jones-Irwin Homewood. Illinous.

Quiin, J. B., P. Anderson, and S. Finkelstein. 1996. Managing Professional Intellect: Making the Most of the Best. *Harvard Business Review* 74: 71-80.

Ram, P. and G. V. Prabhakar. 2011. The Role of Employee Engagement in Work-Related Outcomes. *Interdisciplinary Journal of Research in Business* 1(3): 47-61.

Rich, B. L. and J. A. Lepine. 2010. Job Engagement: Antecedents and Effect on Job Performance. *Academy of Management Journal* 53(3): 617-635.

Roach, D. W. and R. E. McGaughey. 1997. Top Management's Role in Implementing Technological Change: A Study of Computer Integrated Manufacturing. *Journal of Information Technology Management* 8(1-2): 27–39.

Robbins, S. P. 1996. *Organizational Behaviour Concept, Controversiest, Applications.* Prentice Hall. Inc. Englewoods Cliffs. USA.

Robinson, D., S. Perryman, and S. Hayday. 2004. The Drivers of Employee Engagement, *Insititute of Employment Studies.* UK.

Roostika, R. 2011. The Effect of Perceived Service Quality and Trust on Loyalty: Customer's Perspectives on Mobile Internet Adoption. *International Journal of Innovation, Management and Technology* 2(4): 286-291.

Ruggles, R. 1998. The State of the Notion: Knowledge Management in Practice. *California Management Review* 40(3): 80-89.

Sashkin, M. 1984. Participative Management is an Ethical Imperative. *Organizational Dynamics.* Spring 12(4): 4-22.

Saucer, J. W. I. and L. D. Saucer. 2002. Changing the Way We Manage Change. *Advance Management Journal* 67:34-39.

Schaufeli, W. B. and A. B. Bakker. 2009. How Changes in Job Demands and Resources Predict Burnout, Work Engagement, and Sickness Absenticeeism. *Journal of Organizational Behavior* 30: 893–917.

-------. 2003. UWES-Utrecht Work Engagement Scale: *Preliminary Manual Occupational Health Psychology Unit Utrecht University* 1: 1-58.

Schaufeli, W. B., M. Salanova., V. Gonzalez-Romaand, and A. B. Bakker. 2002. The Measurement of Engagement and Burnout and: A Confirmative Analytic Approach. *Journal of Happiness Studies* 3: 71-92.

Schulze, A. and M. Hoegl. 2008. Organizational Knowledge Creation and the Generation of New Product Ideas: A Behavioral Approach. *Research Policy* 37(10): 1742-1750.

Shah, P. P. 2000. Network Destruction. The Structural Implications of Downsizing. *Academy of Management Journal* 43(1): 101-112.

Shragay, D. and A. Tziner. 2011. The Generational Effect on the Relationship between Job Involvement, Work Satisfaction, and Organizational Citizenship Behavior. *Revista de Psicología del Trabajo y de las Organizaciones* 27(2): 143-157.

Sirower, M. L. 1998. Constructing a Synergitic Base for Premier Deals. *Merger and Acquisitions*: 41-9.

Sofo, F. 1999. *Human Resources Development: Perspective Roles and Practice Choices, Business & Professional.* Woodslane Pty Limited. Australia.

Spector, P. E. 1997. *Job Satisfaction Application, Assessment, Causes, and Consequences.* Sage Publication. Thou-sand Oaks, CA.

Strümpfer, D. J. W. 1997. The Relation between Religious Motivation and Work-Related Variables amongst Agricultural Workers. *South African Journal of Psychology* 27(3): 134-142.

Tahere, N., G. T. Zahra, D. Fateme, and Y. J. Asma. 2012. Investigating the Effects of Job Experience, Satisfaction, and Motivation on Organizational Commitment Case Study: (The Nurses of Ghaem Hospital in Mashhad, Iran). *Research Journal of Recent Sciences* 1(7): 59-67.

Tegarden, L. F., Y. Sorason, J. S. Childers, and D. E. Hatfield. 2005. The Engagement of Employees in the Strategy Process and Firm Performance: The Role of Strategic Goals and Environment. *Journal of Business Strategis*: 1 -20.

Thompson, A. A. and A. J. Strickland. 1995. Crafting and Executing Strategy. McGraw Hill. USA.

Ulrich, D. 1997. *Human Resource Champions.* Harvard Business School Press. Boston, Massachusetts.

Weiss, E. J., R. V. Dawis, G. W. England, and L. H. Lofquist. 1967. *Manual for the Minnesota Saisfaction Questionnaire.* Saint Paul University of Minnesota. Minnesota.

Wesley, F. R. 1990. Middle Managers and Strategy: Microdynamics of Inclusion. *Strategic Management Journal* 11: 337-351.

White, D. D. and D. A. Bednar. 1984. Locating Problems with Quality Circles. *The National Productivity Review* 4: 45-52.

Wold, H. 1985. *Partial Least Square. Encyclopedia of Statistical Sciences.* Wiley. New York.

Wright, P., M. Kroll, A. Lado, and B. Vanness. 2002. The Structure of Ownership and Corporate Acquisition Strategies. *Strategic Management Journal* 23: 41-53.

WYK, R. V., A. B. Boshoff, and F. V. N Cilliers. 2003. The Prediction of Job Involvement for Pharmacists and Accountants. *SA Journal of Industrial Psychology* 29(3): 61-67.

Yousef, D. 2000a. Organizational Commitment and Job Satisfaction as Predictors of Attitudes toward Organizational Change in Non Western Setting. *Personnel Review* 29(5): 567-592.

------. 2000b. Organizational Commitment as Mediator of the Relationship between Islamic Work Ethics and Attitudes toward Organiziational Change. *Human Relations* 53(4): 513-537.

Zhou, K. Z., G. Y. Gao, Z. Yang, and N. Zhou. 2004. Developing Strategic Orientation in China: Antecedent and Consequences of Market and Innovation Orientations. *Journal of Business Research* 58: 1049-1058.

8. Antecedents and Consequences of Work Satisfaction and Organizational Commitment in the Merger Process