# Aligning Internal Communication and Innovative Leadership Strategies for Successful Mergers and Sustainable Growth

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## Abstract

*Mergers and Acquisitions (M&A) are widely pursued as strategies for organizational expansion and competitiveness, yet evidence consistently shows that many fail to achieve their intended outcomes. In Kenya's financial sector, where mergers have become increasingly common, these failures are often linked to ineffective internal communication and leadership misalignment. Such shortcomings undermine organizational integration and threaten the achievement of Sustainable Development Goal 8 (Decent Work and Economic Growth), which emphasizes inclusive and sustainable economic progress. This study examined how the synergy between internal communication and innovative leadership strategies can enhance merger success and sustainable growth in the financial sector. The research examined two significant cases: KCB Group's 2019 acquisition of the National Bank of Kenya and Equity Group's 2020 merger with Banque Commerciale du Congo (BCDC). A qualitative descriptive research design was employed, drawing on 15 semi-structured interviews with senior leaders and communication managers, complemented by analysis of internal documents covering the period 2019–2025. Thematic analysis provided insights into how communication reinforced leadership intent and how leadership lent strategic authority to communication practices. Findings revealed that synergy between leadership and communication produced four key outcomes: reduced uncertainty through transparent messaging, stronger trust through alignment of words and actions, enhanced employee engagement through participatory dialogue, and sustained culture through communication-led sensemaking. When communication occurred without strong leadership support, it lacked authority, and when leadership acted without communicative depth, it created disconnect. Effective mergers required the two dimensions working in tandem to maintain continuity and foster confidence. The study advances communication theory by highlighting synergy as a determinant of leadership effectiveness in change contexts. Practically, it recommends embedding communication-leadership taskforces in M&A processes. For policy, it calls for integrating communicative competence into leadership training within financial institutions.*

**Keywords: Internal Communication, Mergers, Transformational Leadership, Sustainable Growth, Decent Work, Economic Growth**

## 1.0 Introduction

Mergers and acquisitions (M&As) have become a defining feature of organizational transformation in the twenty-first century, particularly in competitive sectors such as finance. Globally, they are pursued for growth and market expansion, yet failure rates remain high, with studies suggesting that up to 70% do not meet their objectives (Joshi et al., 2020). In Kenya's financial sector, consolidation has been promoted to strengthen competitiveness and resilience in the face of regional integration and regulatory changes. However, while mergers promise efficiency and shareholder value, they often falter due to overlooked "soft" factors such as internal communication gaps and leadership misalignment (Mushira et al., 2024).

The consequences of failed mergers extend beyond corporations to society. Sustainable Development Goal (SDG) 8 emphasizes inclusive economic growth, productive employment, and decent work (United Nations, 2015). When M&As stumble, employee redundancies, cultural clashes, and declining morale undermine this vision. The Kenyan experience illustrates this paradox. While the Central Bank of Kenya supports mergers to create stronger institutions, challenges of employee anxiety and poor leadership transitions have frequently hindered integration (Oira et al., 2024). The critical question is how organizations can adopt frameworks that enhance merger outcomes while advancing sustainable development.

Internal communication is central to this challenge. Research shows that communication during M&As are often top-down and irregular, leaving employees uncertain and resistant to change (Bauer et al., 2023). Lack of transparency breeds mistrust, while the absence of two-way channels silences valuable feedback. By contrast, open and timely communication is linked to improved trust, cultural alignment, and reduced turnover (Ruck & Men, 2021). In Kenya, firms that invested in structured communication during mergers report smoother transitions and less rumor-driven resistance (Mtange, 2023).

Leadership is equally decisive. Beyond strategy, leaders shape how uncertainty is navigated, how cultures are bridged, and how employees are motivated. Adaptive and transformational leadership styles are particularly effective in mergers, as they emphasize vision, inclusivity, and empowerment (Asdar, 2023). Leadership misalignment, however, where priorities diverge or executives fail to model desired values, frequently undermines integration (Smollan & Griffiths, 2024). Evidence from Kenya's financial mergers suggests that leadership that engages employees and acknowledges cultural diversity fosters more durable integration (Muriuki et al., 2024; Nyamboga, 2025).

What remains underexplored is the synergy between internal communication and leadership. Communication ensures information flows across levels, while leadership determines how these messages are framed and enacted. Communication without leadership can be ignored; leadership without communication risks becoming empty rhetoric. An integrated approach could therefore provide a more holistic framework for navigating M&As while advancing sustainable growth.

Controversy persists regarding the main determinants of merger outcomes. Some scholars stress financial and structural factors such as capital adequacy and technology integration (Darayseh & Alsharari, 2023). Others argue that human factors, including trust and motivation, are decisive in explaining why technically sound mergers still fail (Klok et al., 2023). Increasingly, evidence supports the latter view, highlighting the importance of balancing financial imperatives with human dynamics (Strobl et al., 2025). This paper positions itself within this debate by emphasizing the interdependence of communication and leadership.

The Kenyan banking sector provides fertile ground for this inquiry. KCB Group's 2019 acquisition of the National Bank of Kenya and Equity Group's 2020 merger with Banque Commerciale du Congo (BCDC) illustrate how communication and leadership approaches shape integration (Equity Group Holdings PLC, 2021; KCB Group PLC, 2020). In both cases, questions arise about how employees were engaged, how leaders fostered inclusivity, and whether these practices enhanced long-term resilience. Exploring these cases offers empirical insight and lessons for aligning corporate restructuring with SDG 8.

This study therefore sought to address the question: How can organizations enhance merger success and sustainable growth through the cooperation of internal communication and innovative leadership strategies? The objective was to analyze the dual role of internal communication and leadership in shaping successful mergers and sustainable growth, with a focus on Kenya's financial sector. In addressing this question, the paper contributes to theory by advancing an integrated framework for M&A success, to practice by offering managers actionable strategies for communication and leadership, and to policy by recommending governance mechanisms that embed SDG priorities in corporate transformations.

**2.0 Literature Review**

Mergers and acquisitions are critical strategies for organizational growth, yet their high failure rates highlight the importance of human factors like internal communication and leadership. This review examines these factors in the context of M&A success and sustainable growth, aligning with Sustainable Development Goal 8 (SDG 8) for inclusive economic progress. It reviews relevant theories and empirical studies, situating the current research within debates on merger success and sustainable growth.

**2.1 Theoretical Framework**

This study was guided by Sensemaking Theory, originally advanced by Weick (1995). The theory emphasizes how individuals construct meaning collectively when faced with uncertainty or ambiguity. In the context of mergers and acquisitions (M&As), sensemaking highlights the role of communication in helping employees interpret managerial decisions, understand cultural shifts, and evaluate their place in the new organization. For this study, the theory is relevant because it positions internal communication as a central mechanism for reducing anxiety, aligning staff, and fostering cooperation during organizational transformation.

Transformational Leadership Theory, developed by Bass (1985) and later expanded with Riggio (2006), provides a complementary perspective. The theory focuses on leadership behaviors such as articulating a clear vision, motivating followers, and offering individualized support. In M&A contexts, transformational leadership becomes critical for guiding employees through change, fostering inclusivity, and reinforcing organizational purpose. Within this study, the theory informs the leadership dimension by showing how innovative and participatory leadership strategies can drive cultural integration and long-term sustainability.

Taken together, Sensemaking Theory and Transformational Leadership Theory create an integrated framework for understanding merger success. Sensemaking highlights s the communicative processes through which employees interpret change, while transformational leadership shows how leaders shape and sustain those interpretations. The two theories complement each other by demonstrating that successful mergers require both clear channels of meaning-making and leadership that inspires trust and collective purpose. This integration directly supports the study’s objective of analyzing how internal communication and leadership strategies can jointly enhance sustainable growth in Kenya’s financial sector.

**2.2 General Literature**

Internal communication is broadly defined as the exchange of information within an organization to ensure alignment, collaboration, and employee engagement. It encompasses both formal channels, such as newsletters, intranet systems, and official meetings, and informal exchanges that facilitate relationship-building and cultural cohesion (Ruck & Men, 2021; Zerfass et al., 2021). Beyond information dissemination, internal communication serves a strategic role in shaping organizational identity and providing clarity during periods of uncertainty. In merger and acquisition contexts, where ambiguity is often high, internal communication enables employees to make sense of structural changes and understand their place within the new organization. Scholars emphasize that effective internal communication is dialogic, allowing for two-way flows of information that invite feedback and foster trust, rather than one-way directives that can alienate employees (Heide & Simonsson, 2021).

A key element of internal communication is its role in sensemaking, whereby employees collectively interpret events and decisions to construct shared meaning. This involves framing messages in ways that address not only operational changes but also cultural and emotional concerns (Maitlis & Christianson, 2014). Internal communication is therefore not a peripheral activity but a central mechanism for organizational integration, particularly in environments characterized by uncertainty. Effective practice involves clarity, timeliness, and consistency, but also inclusivity, so that employees feel their voices are acknowledged. When internal communication achieves this balance, it contributes to greater organizational commitment, reduced resistance, and stronger alignment between individual and organizational goals (Ruck & Men, 2021; Zerfass et al., 2021).

Innovative leadership strategies, by contrast, refer to approaches to leadership that move beyond traditional command-and-control models to emphasize adaptability, vision, and employee empowerment (Northouse, 2021). Rooted in transformational leadership theory, innovative leadership entails inspiring followers through a clear vision, motivating them to exceed expectations, and addressing their individual needs (Bass & Riggio, 2006; Antonakis & Day, 2018). It is "innovative" in the sense that it departs from transactional or directive styles, focusing instead on creativity, collaboration, and inclusivity as drivers of organizational performance. In times of organizational change such as M&As, innovative leaders provide reassurance and direction while fostering a culture of participation and resilience (Northouse, 2021; Yukl, 2020; Nyamboga, 2025).

Another dimension of innovative leadership is its emphasis on adaptability and relational engagement. Adaptive leaders acknowledge uncertainty and involve employees in problem-solving processes, ensuring that change is not imposed but co-created (Heifetz et al., 2009; Uhl-Bien & Arena, 2018; Muriuki et al., 2024). Inclusive leadership, which values diversity of thought and empowers employees across levels, has also been recognized as an innovative approach that enhances cohesion during transition (Carmeli et al., 2010; Shore et al., 2018). By emphasizing empowerment, dialogue, and cultural sensitivity, innovative leadership strategies create the conditions under which internal communication can thrive. Taken together, internal communication and innovative leadership strategies represent complementary processes:

communication provides the flow of meaning, while leadership frames and enacts that meaning to inspire collective commitment.

### 2.3 Empirical Literature Review

Research on mergers and acquisitions (M&As) has shown that success depends heavily on how internal communication and leadership interact. Lagos (2025) found that although M&As account for nearly $2 trillion in global transactions annually, between 70 -75%t fail to achieve their intended objectives. The study identified nine leadership competencies, including interpersonal skills, strategic thinking, and stakeholder influence, as crucial for integration outcomes. These competencies are inherently communicative, as they rely on framing messages, building trust, and engaging employees. The study also revealed that middle managers in target firms play a central role, which indicates that leadership effectiveness is realized through consistent and transparent communication across organizational levels.

Darayseh and Alsharari (2023) demonstrated that structured internal communication reduced employee resistance by 30 percent in UAE banks. Their findings further showed that innovative leadership, which emphasized goal articulation, amplified the impact of communication, resulting in a 25 percent improvement in post-merger performance. The evidence suggests that leadership and communication do not function in isolation but reinforce one another. Leadership provides clarity of vision, while communication ensures that the vision is understood and trusted, thereby sustaining employee morale and enhancing integration.

A similar pattern is evident in the Sri Lankan telecom sector. Pubodhya and Rajapakshe (2025) examined M&A performance through Lewin’s Change Management framework and reported that communication significantly influenced training, which in turn strengthened leadership capacity and organizational performance. Their results suggest that communication acts as an enabler of leadership, ensuring that change initiatives are embedded effectively through training and cultural alignment. Leadership, in return, sustains communication initiatives by providing clear direction and reinforcing support during organizational transition.

Cross-border studies also confirm the interdependence of communication and leadership. Wang and Schweizer (2023) found that communication accuracy and trust enhanced organizational commitment during Chinese acquisitions, while weak leadership, such as language barriers at senior levels, undermined strategic performance. Likewise, Asdar (2023) reviewed literature on employee management during M&As and concluded that transparent communication reduced uncertainty, while transformational leadership offered employees the reassurance and motivation needed during turbulent change. These findings indicate that communication strengthens leadership effectiveness by creating trust, while leadership channels communication into purposeful action.

African studies extend these insights into local contexts. Mtange (2023), focusing on a Kenyan university, reported that structured internal communication and employee participation helped sustain institutional brand during transformation. However, leadership proved less effective when communication strategies failed to clearly convey institutional goals, thereby weakening trust and engagement. In contrast, Mushira et al. (2024) established that in Kenyan banks, transparent communication combined with collaborative leadership styles improved employee engagement and integration outcomes. These studies illustrate that in transitional contexts, communication strategies amplify the influence of leadership, and leadership approaches in turn shape the reception and impact of communication.

Taken together, the reviewed studies show that internal communication and leadership strategies are most effective when they operate in synergy. Communication creates clarity, inclusion, and trust, while leadership supplies vision, motivation, and strategic direction. The interaction of the two reduces resistance, enhances performance, and sustains morale, which is especially important in high-stakes sectors such as banking where both human and financial outcomes depend on successful integration.

## 3.0 Research Methodology

The study employed a qualitative descriptive research design, which is particularly appropriate for studies seeking to capture participants' perspectives and experiences in their natural settings without imposing pre-existing theoretical assumptions. This design was suitable for exploring the interplay between internal communication and leadership strategies in mergers because it allows researchers to generate rich, detailed accounts of complex social processes while remaining flexible and inductive (Creswell & Creswell, 2023). The population comprised senior leaders, communication managers, and integration officers directly involved in KCB Group's 2019 acquisition of the National Bank of Kenya and Equity Group's 2020 merger with Banque Commerciale du Congo (BCDC). From this population, 15 participants were purposively selected, a method that ensures information-rich cases are included in the study. Purposive sampling was justified because the study sought insights from individuals with direct experience in merger integration, rather than a statistically representative sample, thus enhancing the relevance and depth of the data collected (Bryman, 2023; Saunders et al., 2023). Data collection was carried out through semi-structured interviews, guided by open-ended questions to provide both consistency across participants and the flexibility to probe emerging issues. This choice was appropriate because it enabled participants to narrate their experiences with communication structures, leadership practices, employee engagement, and cultural alignment in their own words, while giving the researcher opportunities to explore themes in more depth (Creswell & Creswell, 2023; Flick, 2022).

Interview transcripts were analyzed thematically using NVivo software, which facilitated systematic coding and the organization of recurring themes into coherent categories (Saunders et al., 2023). Credibility was enhanced through triangulation across participants and peer debriefing during analysis, both of which helped to validate interpretations and reduce researcher bias (Creswell & Creswell, 2023). Ethical considerations were observed through informed consent, voluntary participation, and confidentiality assurances, with approval granted by the university ethics board and a research permit obtained from the National Commission for Science, Technology and Innovation (NACOSTI).

## 4.0 Results and Discussion

The study examined how organizations can enhance merger success and sustainable growth through the synergy of internal communication and innovative leadership strategies. Thematic analysis revealed four interconnected themes: trust-building through communicative leadership, cultural integration through dialogic and adaptive leadership, employee empowerment through participatory communication and inclusive leadership, and strategic alignment through visionary leadership and message framing. These themes highlight that merger success depended not on communication or leadership in isolation, but on their interaction in shaping employee experiences and organizational outcomes.

### 4.1 Trust-Building through Communicative Leadership

Trust emerged as the foundation of both mergers. Respondents consistently stressed that leadership credibility depended on transparency delivered through communication. At KCB, leaders directly addressed staff fears about possible job losses. A communication officer explained, "*The CEO did not sugarcoat the situation. He told us retrenchments might happen, but he also explained the criteria and timelines. That honesty helped us prepare mentally*." Employees reported that such messages reduced speculation, which otherwise fueled anxiety.

Equity leaders-built trust by being visible and accessible through regular town halls and small group dialogues. Staff noted that leaders often admitted when they lacked answers. As one employee recalled, *"They said, 'We don't have all the details yet, but we will share as soon as we know.' That honesty made us believe they were on our side*."

Trust was further reinforced through consistent follow-up. At KCB, leadership ensured that every promise of an update was honored. One staff member commented, "*Even if the news was not good, they still kept their word. That consistency showed us they respected us*." In Equity's case, leaders made symbolic gestures to demonstrate solidarity, such as attending departmental meetings unannounced and engaging staff in open-ended conversations.

These accounts highlight that trust was not created by communication mechanisms alone, such as memos or meetings, nor by leadership authority alone. Instead, trust was established when leaders demonstrated transparency through communication. Employees interpreted openness as a signal of respect, which motivated them to remain engaged even in uncertain times. Trust therefore became a stabilizing factor that minimized resistance and enabled smoother implementation of merger decisions.

**4.2 Cultural Integration through Dialogic and Adaptive Leadership**

Cultural integration was a second recurring theme. Both organizations faced the challenge of merging different corporate and, in Equity's case, national cultures. Respondents stressed that leadership adaptability depended on dialogic communication processes.

At KCB, the head office provided central communication but allowed local managers to contextualize messages for branch staff. A branch manager explained, *"We received talking points but had freedom to translate them into our local languages and examples. That flexibility helped people understand without feeling dictated to."* Communication thus became a tool for adaptive leadership, ensuring messages were both consistent and locally relevant.

Equity's experience highlighted the value of dialogic forums in addressing cultural tensions between Kenyan and Congolese staff. Leaders set up structured intercultural dialogues where employees could voice frustrations and propose solutions. A senior executive noted, *"We heard complaints about language barriers and arrogance from both sides. By creating space for dialogue, we were able to design training and adjust policies."* Employees confirmed that these dialogues built mutual understanding and prevented cultural rifts from escalating.

Beyond structured forums, informal communication also contributed to integration. At Equity, leaders encouraged social events where employees interacted outside formal work settings. A Congolese employee remarked, *"During team-building, we realized our colleagues were not as different as we thought. It broke stereotypes."* Leaders adapted policies by acknowledging cultural holidays and recognizing bilingual staff as cultural mediators.

The results show that integration succeeded when communication was not a one-way transmission of instructions, but a dialogic process through which leaders could adapt strategies. Communication created channels for feedback, while leadership demonstrated responsiveness by adjusting practices. This synergy transformed cultural differences from sources of division into opportunities for cohesion and learning.

### 4.3 Employee Empowerment through Participatory Communication and Inclusive Leadership

The third theme emphasized empowerment. Employees valued communication systems that allowed them to participate in merger processes, but these systems were effective only when leaders acted inclusively.

At KCB, digital platforms allowed staff to submit anonymous questions and comments. Employees noted that what made the system credible was leaders' commitment to address the questions openly. A middle manager remarked, *"If staff raised concerns about workload or fairness, leadership responded in the next update. Without that follow-through, the platform would have been meaningless."* Communication provided the channel, but empowerment emerged because leadership validated staff concerns through action.

Equity created departmental champion roles to ensure bottom-up communication. Champions collected feedback, which was relayed to senior leaders for consideration. A junior employee explained, *"We could see our suggestions influencing real decisions. For instance, our input on customer service policies was reflected in the new merger manual."* Staff felt valued not just as recipients of information, but as contributors to decision-making.

Empowerment also manifested in training opportunities that equipped employees with new skills to adapt to merged operations. Leaders communicated these initiatives as investments in staff growth, framing them as part of a collective journey. One respondent emphasized, *"The training was not just about systems; it was about showing us that the company wanted us to succeed."*

This synergy between participatory communication and inclusive leadership transformed employees from passive observers into active stakeholders. Empowerment reduced resistance, fostered innovation, and encouraged commitment to long-term organizational goals. By recognizing employee voices, leaders not only gained legitimacy but also benefited from practical insights that improved the merger process.

### 4.4 Strategic Alignment through Visionary Leadership and Message Framing

The final theme emphasized strategic alignment. Respondents explained that day-to-day communication became meaningful when connected to visionary leadership narratives about the merger's long-term goals.

At KCB, leaders consistently tied updates to the strategic vision of becoming a regional financial powerhouse. Employees began to see their daily adjustments as part of a broader ambition. An executive noted, *"Every message linked back to growth and regional dominance. Staff internalized that narrative and felt part of something larger than the merger itself.*"

Equity framed its merger in terms of community development and sustainability. Leaders emphasized how financial expansion would empower local economies. A senior leader explained, "*We were not just talking about profits, but about transforming communities. That framing inspired pride among employees*."

Communication tools such as newsletters, videos, and intranet posts reinforced these visionary messages, but employees stressed that what made them effective was leaders' visible commitment to the stated values. Staff reported that when they observed leaders modeling the behaviors they communicated, such as community outreach or transparent decision-making, the strategic vision felt authentic rather than rhetorical.

This theme demonstrates that communication provided clarity and consistency, but only leadership vision gave those messages meaning. When combined, they fostered alignment between individual effort and organizational objectives. Employees interpreted routine changes as contributing to shared sustainable growth, which increased motivation and reduced uncertainty about the future.

**4.5 Discussion**

The findings of this study reveal that the synergy between internal communication and innovative leadership is a decisive factor in the success and sustainability of mergers. Employees consistently highlighted that transparent, dialogic communication reduced uncertainty, while visionary and participatory leadership created a shared sense of direction. Taken together, these practices enabled collective sensemaking, minimized resistance, and enhanced organizational alignment. This interpretation aligns with both Sensemaking Theory, which emphasizes communication as the basis for meaning-making during uncertainty (Weick, 1995), and Transformational Leadership Theory, which highlights the role of leaders in articulating vision and inspiring confidence (Bass & Riggio, 2006).

When compared to existing studies, the findings reinforce Darayseh and Alsharari's (2023) work in UAE banks, where structured communication coupled with strong leadership improved post-merger performance. Similarly, Pubodhya and Rajapakshe (2025) observed in the Sri Lankan telecom sector that communication enabled leadership effectiveness during training and integration. The Kenyan case adds weight to these conclusions by showing that, in financial institutions such as Equity and KCB, communication practices and leadership behaviors are inseparable. Whereas Mushira et al. (2024) found that transparent communication with collaborative leadership improved employee engagement in Kenyan banks generally, this study demonstrates concretely how employees experienced these dynamics during high-stakes mergers.

The study's strengths lie in its qualitative, multi-case approach. By examining both Equity and KCB, it provided comparative insights into how communication–leadership synergy operated in different organizational settings within the same sector. Rich, first-hand accounts captured through thematic analysis gave depth to employee perceptions, which quantitative surveys alone could not reveal. The focus on Kenya's banking sector also grounds the findings in a critical local context where M&As are both common and socially impactful.

Nonetheless, some limitations should be noted. First, the study relied on self-reported experiences, which may be subject to recall bias or personal framing of events. Second, the dual focus on Equity and KCB provided breadth but limited depth into either institution, which may constrain contextual specificity. Third, as with most qualitative studies, the findings are not statistically generalizable to all organizations, though they offer transferable insights for similar contexts. Future studies could complement these insights with longitudinal or mixed-methods approaches to assess how communication–leadership synergy evolves over time.

An unexpected finding was the extent to which employees attributed merger success not only to official communication channels but also to informal peer-level sensemaking. While formal leadership messages framed direction, employees relied heavily on their immediate teams to negotiate meaning. This highlights a layered communication process, suggesting that successful mergers require attention to both top-down and horizontal communication practices.

In conclusion, this study advances the argument that merger success and sustainable growth depend on integrating communication and leadership, rather than treating them as parallel processes. For practitioners, the implication is that leaders in mergers should not only communicate more but also communicate in ways that foster participation, trust, and shared meaning. For theory, the study demonstrates the mutual reinforcement of sensemaking and transformational leadership frameworks in transitional contexts. These insights are especially significant for financial institutions in emerging economies, where human-centered strategies can determine the trajectory of structural reforms.

**5.0 Conclusion**

This paper has demonstrated that the success of mergers and acquisitions cannot be understood merely in terms of financial resources or structural alignment. The central lesson is that human factors, particularly the synergy between internal communication and leadership, ultimately determine whether integration efforts succeed or falter. Internal communication enables employees to make sense of change, while leadership provides vision, reassurance, and moral direction. When these two forces operate in harmony, they create conditions of trust, shared meaning, and collective commitment, which are indispensable for navigating the uncertainty of mergers.

The findings emphasize that leadership divorced from communication risks becoming abstract and unconvincing, while communication that lacks visionary leadership remains fragmented and ineffective. This integrated perspective highlights that merger strategies should be judged not only by their efficiency in consolidating assets but also by their ability to safeguard human relationships and sustain organizational culture. The significance of this study lies in showing how, in the Kenyan banking sector, merger outcomes were shaped by the credibility of messages from leaders and the inclusivity of communicative practices, a dimension often overlooked in the global M&A literature.

A notable contribution of this research is its attempt to bridge the gap between theories of sensemaking and transformational leadership by illustrating how they intersect in practical organizational contexts. It advances the argument that employees are not passive recipients of change but active interpreters who require guidance from leaders and clarity through communication. Yet, the study also reveals limitations: the focus on large banks like Equity and KCB cannot fully capture the nuances of smaller or less resourced institutions.

Going forward, organizations should deliberately invest in communication-leadership taskforces during merger transitions. Such structures would ensure that leaders are trained to communicate not only information but also empathy, and that communication strategies are designed to reinforce shared vision rather than merely transmit updates. Future research should extend these insights by examining how digital platforms and hybrid work structures shape the communication-leadership dynamic, as well as by investigating cross-sectoral variations. These unanswered questions hold the potential to expand knowledge on how organizations can achieve both merger success and sustainable growth.

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