

# AN INVESTIGATION OF POST-MERGER STRESS, SATISFACTION AND JOB LEAVING INTENTION AMONG EMPLOYEES: EVIDENCE FROM THE INDIAN BANKING SECTOR

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## ABSTRACT

The present study aims to analyse and establish association between occupational stress, job satisfaction and job leaving intention among employees due to merger in the Indian banking sector. Four cases of merger involving ten public sector banks were studied. Various statistical tools have been used to assess the sample data consisting of 291 employees collected from field survey. Empirical findings indicates significant difference in job stress, level of satisfaction and job leaving intention across demographic variables. With the increase in the level of stress due to merger, the job satisfaction of employees reduces, whereas positive relationship between the stress and the job leaving intention due to merger was found. The findings of the present study will be helpful for the top management to understand the behaviour of employees during mergers & acquisitions and formulate such policies to help them cope with the negative influence of merger.

**Keywords:** *Banking; employees; merger; stress; job satisfaction; job turnover; India; psychology; amalgamation; insecurity; behaviour*

## INTRODUCTION

The most crucial factor influencing an organization's productivity is its human resources. Employees are a company's competitive advantage. Employees in the era of rapid mergers and acquisitions encounter several difficulties as they adjust to changes in the workplace. In the wake of liberalization, globalization and privatization, the financial sector too has witnessed tremendous cases of mergers and acquisitions. Not simply assets and liabilities are transferred in mergers, rather it involves the sentiments of human resources working there. These structural changes make workers uncertain and confused, which can result in stress, dissatisfaction and job turnover. During integration, employees endure stress, and merger stresses can have detrimental psychological effects on them (such as dissatisfaction and fatigue) (Grotto and Andreassi, 2020). Hence, addressing the psychology of the workforce is crucial during and after the merger.

The meaning of "stress" according to Selye (1956) is "the non-specific response of the body to any demand for change". As per Kahn

et al. (1964), stress may be seen as people's responses to aspects of the workplace that seem threatening. When someone is presented with a chance, a demand, or a limitation that has anything to do with the things they want, it might result in a stressful situation that is both ambiguous and critical (Robbins, 2001). The presence or absence of longer-term departures from normal functioning may indicate occupational stress (Parker and Decotiis, 1983).

Satisfaction from a job is a way of occupation-related contemplation that arises from how they view their jobs and how well they fit into the organization (Ivancevich and Matteson, 1980). Job satisfaction was described by Hsiao and Kohnke (1998) as an individual's emotional reaction to a job as a result of their expectations for the position and the actual nature of their employment. In the services sector, like banking, job satisfaction is of utmost important. As the saying goes, a happy employee, keeps a customer happy. Hence, in order to achieve customer satisfaction, not only the customers but also the staff of the company must be happy. Existing literature suggests that job stress contributes to organizational problems such as job dissatisfaction, absenteeism and employee turnover (Beehr and Newman, 1978). Stress and work dissatisfaction are directly correlated with one another (Beehr, 1974), however few studies have found stress to have positive relation with turnover. Nevertheless, there is ongoing debate regarding the association between occupational stress and turnover.

The banking industry is the bone of the Indian economy. The effective allocation and utilization of surplus resources across

various sectors is the pivotal role of the Indian Banking sector. The Indian banking sector, like others throughout the world, has undergone substantial structural changes as a result of liberalisation, globalisation, and privatisation. In 1921, three banks namely the Bank of Madras, the Bank of Bengal and the Bank of Bombay, that came into being before independence under British rule, were merged into a single bank called the Imperial Bank of India (Now, the State Bank of India). This case was the catalyst for the first major bank merger in India. At first, consolidations in India's banking sector were motivated only by a desire to enhance the industry's internal structure. With efforts made to consolidate sick or loss-incurring banks into stronger, profitable banks. With time, however, these drivers evolved to be synergy gain, growth, and expansion, and so on (Anand and Singh, 2008).

In August, 2019, the country's finance minister declared 10 Indian public sector banks will be merged into four as of April 1, 2020. This study deals with these four cases of merger. An attempt has been made to address the issue of stress and the level of satisfaction after merger among employees and their job leaving intention due to merger, if any. The state of Assam has been chosen as the geographical location.

## LITERATURE REVIEW

When people suffer adverse or unpleasant emotional states as a result of their employment, this is referred to as occupational stress (Hart and Cooper, 2001). Past researches had addressed the issue of occupational stress as it influences the employees satisfaction level, performance and

hence the overall productivity. Jamal (1984) identified job stressors as “role overload, role ambiguity, role conflict adequacy” in line with the work of Mackinnon (1978) to establish relationship between job performance and assess the withdrawal behaviours via absenteeism, tardiness, and anticipated turnover. It was established that there exists negative linear association between job related stress and performance. Also, workplace stress and withdrawal behaviours are positively correlated, i.e., higher the job stress, adverse the withdrawal behaviour. A study conducted in Nigeria by Olusegun, Oluwasayo and Olawoyim (2014) found that “work overload, career development and work/family conflict were the main job stressors causing disruptions in the performance of employees, whereas, tiredness, worry, unhappiness, weakness, headache, and anger were the major outcomes of occupational stress”. It was recommended that the workload of employees be lessened to a more manageable level. To help the staff cope with their excessive workloads, authors recommended that the firm hire more employees.

Cooper et al. (1989) conducted study in the health sector to study the stress level amongst general practitioners and discovered that the biggest impediments to job satisfaction were the job interference with family life, job requirements, and the patients’ anticipations, continual disruptions at work and home, and strains of practise management. According to Parker and Decottis (1983) stress is multidimensional consisting of time stress and anxiety as dimensions. Work autonomy, the belief that correlation between pay and performance is limited, the openness of

communication, relationships, and cohesion all play a distinct role in determining time stress. On the other hand, role conflict and formalisation (structure, climate, and information) are the only factors that might cause anxiety.

Khattak et al. (2011) studied occupational stress and professional burnout by conducting a survey on 236 employees in the banking industry. The findings demonstrated that the principal stressors in the banking industry include workload, working hours, technology issues at work, insufficient pay, family time, and job problems at home. However, these stress factors may change in the purview of mergers and acquisitions. Ashford et al. (1989) opined that the more changes an organisation experiences, the more employees perceive their jobs to be insecure. This perception, in turn, has an adverse impact on the commitment of employees to the organisation, their trust in it, their job satisfaction, and ultimately their performance on the job. Even though top management of the merging corporations frequently participates in merger discussions, the lowest level of employees may receive titbits of related information that have leaked up the organisational ladder, leading to rumours and discussion about potential merger possibilities that can leave staff feeling unsettled and concerned for future (Buono and Bowditch, 2003). As a result, once a merger actually happens, employee anxiety and stress reaches its peak level (Buono and Bowditch, 2003).

A study conducted by Schweiger and Ivancevich (1985) found certain typical merger stressors, such as uncertainty, worries about job loss, insecurity, changes in job, pay adjustments, and changes in autonomy. Schweiger et

al. (1987) addressed five areas of worry that increased employees' sense of loss of attachment, specifically lack of information and anxiety, loss of identity, family implications, lost talent and survival becoming an obsession. Before, during, and after the consolidation, employees felt helpless, depressed, angry, and shocked. While investigating the human factor during consolidations, it was found that mergers and acquisitions (M&As) may cause significant disturbance and stress to employees, which can lead to issues with psychological well-being, behaviour, performance, and ability to survive for both the people involved and the organisations (Schweiger and Weber, 1989). Mylonakis (2006) examined how bank employees perceive and respond to the bank's merger as well as how it affects their professional and personal lives. Restructuring and cultural issues constituted the two major issues faced by the employees. The conclusion of the study was that mergers lead to fewer job opportunities and fewer perks. A research conducted by Naveed et al. (2011) showed that the employees who worked for the bank before and after the consolidation felt that their level of motivation was subpar. Additionally, they experienced severe threat of their job security and uncertainty in a new, structured organisation.

To gauge the amount of stress among employees, Goyal and Joshi (2012) investigated the merging of the Bank of Rajasthan with ICICI Bank. The study identified a variety of psychological and workplace stressors as well as cultural stressors that contribute to dissatisfaction among employees. However, the level of stress may differ between that

target and anchor firm. As opined by Panchal and Cartwright (2001) target firm employees showed high level of stress when compared to anchor firm employees. Moreover, the staff of the target company were less satisfied and committed to their jobs than employees of the acquiring firm. 180 workers from 27 Nepalese Banks and Financial Institutions (BFIs) were questioned by Gautam (2016) to ascertain the association between employees' likelihood to move jobs and their employment satisfaction following mergers. Employees planned to move jobs if a better opportunity or a position that was similar presented itself. Covin et al. (1996) categorised the employees as high satisfied employees and low satisfied employees post-merger. Satisfaction across prior employer (acquiring firm and acquired firm), gender, and experience were examined. It was found that employees below 12 years of experience were more satisfied compared to others. Males and females of acquired bank were less satisfied compared to acquiring bank employees.

Clarke and Salleh (2011) investigated how employees in Brunei were affected emotionally by the merger of two financial firms using semi-structured interviews on 33 employees. Ten months following the merger, many of these unfavourable and persistent perceptions were still influencing how the personnel felt about the newly merged company, in turn, negatively influencing their job satisfaction, dedication, and motivation. Employees felt that the policies were not fair or equitable. Some people reported withdrawal symptoms and plans to leave the group as a result of the impacts. As suggested by Kansal and Chandani (2014) it is significant for the employees to

recognise the culture of merging parties. It may help prevent conflicts due to cultural mismatch. Also, appropriate training and development programmes, counselling and such activities helps reduce uncertainty and stress among the employees.

Hence, it is significant to address the concern of psychological turmoil the employees face due to the structural changes in any organization. There have been few research which investigated the association between job stress, job satisfaction, and job leaving intention among employees after bank merger.

## OBJECTIVES

1. To study the level of job stress among employees due to bank merger and see if there

exist significant differences in the stress level across demographic variables.

2. To investigate the degree of job satisfaction among employees following the bank merger and see whether there are any significant differences in satisfaction levels across demographic variables.

3. To find if there exists any relation between job satisfaction and job stress pertaining to merger.

4. To study the job leaving intention among employees due to bank merger and find if there exists any relationship between job leaving intention and job stress pertaining to merger.

## RESEARCH METHODOLOGY

The study focuses on four merger cases as shown in Table 1.

**Table 1: Merger Cases Studied for the Present Study.**

Anchor Bank	Amalgamating Bank(s)
Punjab National Bank	Oriental Bank of Commerce, United Bank of India
Canara Bank	Syndicate Bank
Union Bank of India	Andhra Bank, Corporation Bank
Indian Bank	Allahabad Bank

(Source: [www.pib.gov.in](http://www.pib.gov.in))

The amalgamation came into effect on 1st April, 2020. The post-merger survey was conducted one year after the merger, i.e., the financial year 2021-22. The data were collected from the bank branches of Assam, India.

For the post-merger survey, a structured questionnaire was given to the merging banks'

employees. Data was not collected from employees working at circle office, regional office and head office. Since only local branch level personnel interact with the general public, only they were surveyed. Bank branches were selected based on snowball sampling as the real-time data of number of branches couldn't be found due

to constant shutting down of branches within close proximity due to merger. Employees were surveyed at the bank branches using convenience sampling technique. A sample of 291 employees was used to gather the data. The questionnaire

employed 7-point scale. To measure the job stress and satisfaction after merger, the study incorporated 19 items for job stress and 13 items for satisfaction as found via extensive literature review. Table 2 presents these items.

**Table 2: Items used to Study Employees Job Stress and Satisfaction after Merger.**

Scale	Item	Source
Job Stress after the merger	Identity loss	Schweiger et al. (1987)
	Helplessness due to merger	
	Transfer to other place	
	Transfer to other department	
	Status change	
	Job responsibilities	
	More privilege employees of anchor bank	
	Interruption in career growth.	
	Change in staff (Colleagues/boss/ subordinates)	
	Cultural mismatch	Cartwright and Cooper (1993)
	Power loss	Cartwright and Cooper (1993)
	Loss of commitment	Ojedokun (2018)
	Work load increased	Goyal and Joshi (2012), Panchal and Cartwright (2001)
	Job-family conflict	Panchal and Cartwright (2001), Schweiger et al. (1987)
	Increase in working hours	Goyal and Joshi (2012)
	Reduction in salary and other benefits post-merger.	
	Left out feeling	
	Difficulty in adapting the new job culture	
	Conflicts among employees.	Kansal and Chandani (2014)

<b>Job Satisfaction after merger</b>	Current Salary	Schweiger et al. (1987)
	Promotion and incentives	
	Acknowledgement for performing well	
	Work-family balance	
	Autonomy at work	Cartwright and Cooper (1993)
	Working condition	
	Relationship with co-workers	Goyal and Joshi (2012)
	Work load	
	Policies for resolving conflicts and disputes at work	
	This bank is always the preferred option.	
	Involvement in the decision making process of organization	Gautam (2016), Saxena (2015)
	Enjoy employment at this bank.	Saxena (2015)

(Source: Literature review)

To evaluate reliability, Cronbach's alpha was determined. For the 19-items on job stress after merger, the alpha value is 0.898. The items on satisfaction after merger produced 0.835 alpha value. Hence, the scales were found to be reliable.

To compare the level of stress and satisfaction after merger among employees across demographic variables independent sample t test and ANOVA has been used. The relationship between stress and satisfaction after merger has been assessed using correlation and regression. Similar tests were used to determine relation between job leaving intention and stress after merger.

## ANALYSIS AND DISCUSSIONS

### Analysis

Table 3 displays the respondents' demographic information. With regard to type of bank, out of total respondents, 47.4 per cent of employee

were from anchor banks and 52.6 per cent were from amalgamating banks. Employees' upto 35 years of age constituted 59.8 per cent and those with age above 35 years constituted 40.2 per cent. Males were higher in number (62.9 per cent) as compared to their female counterparts (37.1 per cent). With respect to designation, while the number of officers was 67.4 per cent, remaining 32.6 per cent were at clerical level. Out of total respondents, majority of the employees were married (70.1 per cent). The majority of the sampled employees (53.6 per cent) were graduates, whereas 46.4 per cent of them had post-graduation/professional degree. With regard to experience, 30.2 per cent had upto 5 years of experience, followed by of 6-8 years' experience holders (29.9 per cent) and 9-14 years' experience holders (29.6 per cent). Very few employees had experience above 14 years (10.3 per cent).

**Table 3: Profile of the Respondents.**

Profile	No. of respondents	Percentage(%)
<b>Type of bank</b>		
Anchor Bank	138	47.4
Amalgamating Bank	153	52.6
<b>Age</b>		
Upto 25 years	12	4.1
26-35 years	162	55.7
36-45 years	81	27.8
Above 46 years	36	12.4
<b>Gender</b>		
Male	183	62.9
Female	108	37.1
<b>Designation</b>		
Clerical	95	32.6
Officer	196	67.4
<b>Marital Status</b>		
Married	204	70.1
Unmarried	87	29.9
<b>Educational Qualification</b>		
Graduate	156	53.6
Post Graduate/Professional Degree holder	135	46.4
<b>Experience</b>		
Up to 5 years	88	30.2
6-8 years	87	29.9
9-14 years	86	29.6
Above 14 years	30	10.3

(Source: Survey data)



### Analysis of Employees' Job Stress after Merger.

The employees stress due to merger has been analysed across the demographic variables, i.e., gender, age, designation, marital status, educational qualification and experience (Table 4). As per the mean values, the stress among females was slightly higher than the males. Among the different category of age groups, employees having age above 45 years were most stressed. Officers were perceived to be more stressed due to the structural change. However, both married and unmarried employees had similar perception with regard to workplace stress after merger. Similar results were seen in case of educational qualification. Employees above 14 years of experience had highest mean value, followed by 9-14 years' experience holders.

According to the t test, there is a statistically significant variation in stress levels among employees across designation. For other demographic variables, similar stress level were perceived as per t test and ANOVA. The individual items of stress were tested across designation employing t test. There exists significant differences in cases of stress due to cultural mismatch, transfer to other place, transfer to other department, changes in job responsibility, increase in work load, increase in working hours, work-family conflict and staff changes. Employees at clerical level were more stressed due to cultural mismatch compared to officers. On the contrary, major stressors for officers were transfer to other place, transfer to other department, changes in job responsibility, work load, working hours, work-family conflict and staff changes.

**Table 4: Stress after Merger among Employees across Demographic Variables.**

Demographic Variables	Classification	Mean	P value
Gender	Male	3.32	.440
	Female	3.42	
Age	Upto 25 years	3.08	.613
	26-35 years	3.32	
	36-45 years	3.42	
	Above 45 years	3.54	
Designation	Clerical	3.15	.027
	Officer	3.46	
Marital Status	Married	3.35	.990
	Unmarried	3.36	
Educational qualification	Graduate	3.34	.899
	Post-Graduate / Professional Degree holder	3.37	

<b>Experience</b>	Up to 5 years	3.37	.130
	6-8 years	3.15	
	9-14 years	3.48	
	Above 14 years	3.60	

(Source: Survey data)

### **Analysis of Employees' Job Satisfaction after Merger**

The employees stress due to merger has been analysed across the demographic variables, i.e., gender, age, designation, marital status, educational qualification and experience (Table 5). As per the mean values, males were more satisfied than females. Employees' upto age 25 years were most satisfied, followed by above 45 years aged and 26-35 years aged employees respectively. In terms of designation and educational qualification mean scores didn't varied much. Married employees had high mean value compared to unmarried ones. Employees with experience above 14 years were found to be more satisfied, followed by 9-14 years and upto 5 years' experience holders respectively.

The t test and ANOVA revealed that there exists significant difference in satisfaction among employees across age, gender and experience. Post-hoc analysis (Bonferroni) revealed differences in the age groups. There exists significant differences between the group with age 26-35 years and above 45 years as well as between employees under age group 36-45 years and above 45 years. The post-hoc analysis on experience revealed that significant differences between employees having experience 6-8 years and above 14 years of experience. For other demographic variables, i.e., designation, marital status and educational qualification,

similar satisfaction level were perceived as per t test and ANOVA.

The individual items of satisfaction were tested across gender employing t test. It was revealed that males and females differ significantly in satisfaction levels due to their perception on autonomy at work, relation with co-workers, involvement in decision making, conflict resolving policy and enjoying employment. Male employees were more satisfied in terms of autonomy at work, relation with co-workers, involvement in decision making, conflict resolving policy and enjoying employment as compared to their female counterparts.

The ANOVA test on individual items across age revealed that employees' satisfaction level differed significantly due to salary, workload, working condition, work-family balance, enjoying employment and bank being the preferred option. Employees in the age group upto 25 years were more satisfied with salary, workload, working condition. Employees above 45 years were more satisfied with work-life balance, enjoying employment and bank being the preferred option as compared to employees under other age groups.

The individual items of satisfaction were tested across experience employing ANOVA. It was observed that there exists significant difference in satisfaction level due to workload, working condition, conflicts resolving policy,

work-life balance, enjoying employment and bank being the preferred option. Employees with experience above 14 years were most satisfied with the amount of work load, conflicts resolving policy, work-life balance,

enjoying employment and bank being the preferred option as compared to others groups. Whereas employees with upto 5 years of experience were most satisfied with the current working condition than others.

**Table 5: Job Satisfaction after Merger among Employees across Demographic Variables.**

Demographic Variables	Classification	Mean	P value
<b>Gender</b>	Male	4.17	.024
	Female	3.89	
<b>Age</b>	Upto 25 years	4.76	.005
	26-35 years	4.01	
	36-45 years	3.90	
	Above 45 years	4.53	
<b>Designation</b>	Clerical	4.10	.663
	Officer	4.04	
<b>Marital Status</b>	Married	4.11	.214
	Unmarried	3.94	
<b>Educational qualification</b>	Graduate	4.07	.834
	Post-Graduate / Professional Degree holder	4.05	
<b>Experience</b>	Up to 5 years	4.01	.049
	6-8 years	3.96	
	9-14 years	4.08	
	Above 14 years	4.53	

(Source: Survey data)

### **Analysis of Employees' Job Leaving Intention after Merger**

The employees' job leaving intention post-merger has been analysed across the demographic variables, i.e., gender, age, designation, marital status, educational qualification and experience (Table 6). As per mean values, the intention to

leave job was higher among females compared to male employees. The mean values of employees above 45 years of age was highest, followed by employees aged 36-45 years. Employees at officer level had stronger intent to leave job than clerical level employees. The withdrawal behaviour among married graduates was stronger

when compared to unmarried postgraduates/professional degree holders. Employees with experience above 14 years had highest intention to leave job due to merger, followed by employees

having experience of 9-14 years and 6-8 years respectively. As per ANOVA, there exists significant difference with respect to job leaving intention due to merger across experience.

**Table 6: Job Leaving Intention after Merger among Employees across Demographic Variables.**

Demographic Variables	Classification	Mean	P value
<b>Gender</b>	Male	2.37	.464
	Female	2.53	
<b>Age</b>	Upto 25 years	2.30	.090
	26-35 years	2.25	
	36-45 years	2.75	
	Above 45 years	2.97	
<b>Designation</b>	Clerical	2.30	.398
	Officer	2.49	
<b>Marital Status</b>	Married	2.52	.179
	Unmarried	2.20	
<b>Educational qualification</b>	Graduate	2.48	.563
	Post-Graduate / Professional Degree holder	2.36	
<b>Experience</b>	Up to 5 years	2.14	.010
	6-8 years	2.15	
	9-14 years	2.80	
	Above 14 years	3.03	

(Source: Survey data)

### **Relationship of Level of Job Stress with Job Satisfaction and Job Leaving Intention Due to Merger among Employees**

Table 7 shows correlation results of job stress with job satisfaction and job leaving intention due to merger. The correlations are significant as per Pearson's Correlation. There exists a statistically substantial negative correlation between job

stress due to merger and satisfaction. Because of the elevated stress levels due to merger, the job satisfaction of employees reduces and vice-versa. The Pearson's Correlation Coefficient Score represents that there exists positive correlation between stress and job leaving intention after merger. Hence, with the increase in stress due to merger, the intention to leave job also increases.

**Table 7: Correlation between Stress, Satisfaction and Job Turnover Intention.**

		Job Satisfaction	Job leaving intention
Mean_Stress	Pearson Correlation	-.191**	.483**
	Sig. (2-tailed)	0.001	0.000
	N	312	312

\*\* Correlation is significant at the 0.01 level (2-tailed).

(Source: Survey data)

In order to model the connection between the dependent and independent variables, linear regression has been employed. Simple linear regression is the method of modelling the association between a single independent and dependent variable. The results reveals the percentage of variability in dependent variable that can be attributed to predictor (independent variable).

The model equation is:

Dependent Variable =  $\alpha + \beta$ \*Independent Variable + Error tem

where,

$\alpha$  = Intercept

$\beta$  = Regression Coefficient

Table 8 shows the linear regression analysis with the independent variable being job stress, whereas job satisfaction and job leaving intention due to merger were the dependent variables. With regard to job stress due to merger and job satisfaction post-merger, the results revealed that 3.70 percent of variability (refer R square value) in satisfaction can be attributed to job stress. The coefficient value ( $\beta$ ) indicates that one unit increase in stress level due to merger causes a decrease in 0.174 units of satisfaction. The p value concludes that there exists significant impact of occupational stress due to merger on satisfaction level.

With regard to job stress due to merger and job leaving intention, the linear regression analysis revealed that 23.3 percent of variability in job leaving intention can be attributed to job stress due to merger. The coefficient value ( $\beta$ ) indicates that one unit increase in stress level due to merger causes an increase in 0.777 units of job leaving intention. The p value concludes that there exists significant impact of occupational stress on job leaving intention due to merger.

**Table 8: Regression Analysis with Job Stress after Merger as Independent Variable (Predictor).**

Dependent variable	Intercept ( $\alpha$ )	Beta Coefficient ( $\beta$ )	Standard Error	R Square	Significance (p) value
Job satisfaction after merger	4.651	-0.174	0.051	0.037	.001
Job leaving intention due to merger	-0.183	0.777	0.080	0.233	.000

(Source: Survey data)

## DISCUSSIONS

Mergers and acquisitions are frequently cited as a significant factor causing heightened job stress, worry, and impatience among employees (Haruyama et al., 2008). The results of the current study draws attention towards occupational stress employees feel due to merger, the level of satisfaction and job leaving intention due to the structural change. Officers were more under stress compared to clerical level staff. Both married and unmarried employees had similar perception with regard to workplace stress after merger. On the contrary, a study on job stress in banking sector by Rajeshwari (1992) concluded that clerks were more stressed than officers due to the structural pattern of bank. However, the findings were similar to this study with regard to marital status, as married and unmarried employees had similar perception on stress. The present study found that stress among females was slightly higher than the males. And employees above 14 years of experience had highest level of stress. Though significant differences were not found as per ANOVA and t test, results on gender and tenure are consistent with the findings by Martin and Roodt (2008).

Employees of different ages, gender, and experience in the banks have different levels of job satisfaction following a merger. Employees' upto age 25 years were most satisfied compared to employees under other age groups. Males were found to be more satisfied than females. Employees with experience above 14 years had highest satisfaction after merger, followed by 9-14 years and upto 5 years' experience holders respectively. Significant difference with respect to job leaving intention due to merger was found across experience of bank employees. No

significant differences were found in other studied demographic variables. This finding confirms the results by Benjamin, Femi and Waheed (2012) where no significant influence of gender was found on turnover intention. However, it was seen that among employees of the amalgamated bank, age had a substantial impact on turnover intention. Similarly, the findings on gender and job leaving intention contradicted those of Lee et al. (2000) and Tata (2000), who contend that there are disparities in turnover intentions among men and women.

The degree to which employees are treated unfairly during the merger process may have a detrimental impact on their satisfaction, dedication, belief and ultimately, their intent to remain in the novel business that is formed (Daileyl and Kirk, 1992; McFarlin and Sweeney, 1992). The present study concluded that with the increase in the level of stress due to merger, the job satisfaction of employees reduces and vice-versa. As the stress due to merger increases, the intention to leave job also increases. In line with the present study, Margolis et al. (1974) revealed negative correlation between job-related stress indicators (role ambiguity, underutilization, overload, resource inadequacy, insecurity and non-participation) and job satisfaction. Similarly, positive association was discovered between the aforementioned job-related stress indicators and intention to leave job. A study by Sanda and Adjei-Benin (2011) revealed that 67.5 per cent of the employees were dissatisfied due to changes in organizational structure post-merger. These findings are also consistent with other previous researches (Clarke and Salleh, 2011; George and Zakkariya, 2015).

It is interesting to note, however, that stress due to merger have low impact on job satisfaction of

the employees. One plausible reason may be due to differences in perception of anchor and amalgamating bank employees on stress. The present study revealed how stress affects all employees taken together, thus disregarding the group differences. Also, comparatively much higher impact of stress was found on job leaving intention due to merger.

## **IMPLICATIONS OF THE STUDY**

Much has been studied about work related stress. However, very few studies had investigated the differences in perception related to stress, satisfaction and job leaving intention across demographic variables. Majority of the existing literature on stress are based on ordinary work environment. But this study takes into account employees' psychology after merger. This study also empirically confirms about the relationship between stress due to merger, satisfaction and job leaving intention due to merger.

Since, employees are the ones who runs an organization, they are regarded as the deciding factor about success or failure of merger. For the organisation, this study will help the upper level management to understand how stressed out employees are as a result of merger & acquisitions and how it influences their satisfaction level and withdrawal behaviour. The present study will help upper level management to formulate and implement such policies to help the employees cope with the negative influence of merger. Appropriate training and development programmes, counselling and such activities should be conducted to reduce uncertainty and stress among the employees (Kansal and Chandani, 2014).

## **LIMITATIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH**

Similar to other studies, this one has its limitations. The present research is a cross-sectional research, not longitudinal study and doesn't take into consideration different stages of merger, i.e., before the merger, during the merger process and after the merger. In this study, employees have been studied in 'after the merger' stage only. Also, changes in geographical location of data collection may produce different results.

Future studies could be undertaken studying the psychology of employees at different stages of merger, hence, performing a longitudinal study. The current research could be expanded by studying the group differences, i.e., anchor bank and amalgamating bank employees' with respect to the studied variables. Senior personnel from regional offices, circle offices, and head offices could be surveyed in addition to branch level staff. Apart from banking sector, mergers and acquisition cases of other sectors could be studied in line with the present study.

## **CONCLUSION**

In conclusion, the contribution of this study rests on analysing and establishing the relationship between the stress level, satisfaction and job leaving intention due to merger among employees. Although, studies on the factors of stress among employees have been done extensively, how the occupational stress impact the satisfaction and withdrawal behaviour in the purview of merger are still very limited, especially in the banking sector. The current study complements previous research on the detrimental effects of stress on

the employees' satisfaction and positive impact on job leaving intention. However, the impact on satisfaction level was found to be low compared to job turnover intention. The findings of the study also provide in-depth analysis of these three variables across demographic variables.

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