

**EFFECT OF MERGER AND ACQUISITION ON EMPLOYEE MORALE (A
CASE STUDY OF UBI BANK, MIRA ROAD)**

A Project Submitted to

**University of Mumbai for partial completion of the
degree of Bachelor in Commerce (Financial Markets)**

Under the Faculty of Commerce

By

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MARCH 2020



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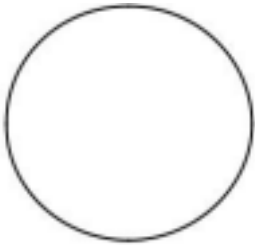
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Certificate

This is to certify that Ms PRIYA DILIP JHA has worked and duly completed his Project Work for the degree of Bachelor in Commerce (Banking and Insurance) under the Faculty of Commerce and her project is entitled, “EFFECT OF MERGER AND ACQUISITION ON EMPLOYEES MORALE” under my supervision.

I further certify that the entire work has been done by the learner under my guidance and that no part of it has been submitted previously for any Degree or Diploma of any University.

It is her own work and facts reported by her personal findings and investigations.



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Declaration by Learner

I the undersigned Ms PRIYA DILIP JHA hereby, declare that the work embodied in this project work titled “EFFECT OF MERGER AND ACQUISITION ON EMPLOYEES MORALE” forms my own contribution to the research work carried out under the guidance of Dr. MANJU SINGHANIA, result of my own research work and has not been previously submitted to any other University for any other Degree/ Diploma to this or any other University.

Wherever reference has been made to previous works of others, it has been clearly indicated as such and included in the bibliography.

I, hereby further declare that all information of this document has been obtained and presented in accordance with academic rules and ethical conduct.

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Name and signature of the Guiding Teacher

Acknowledgment

I would like to acknowledge the following as being idealistic channels and fresh dimensions in the completion of this project.

I take this opportunity to thank the **University of Mumbai** for giving me the chance to do this project.

I would like to thank my **Principal, Dr. C.T. Chakraborty** for providing the necessary facilities required for completion of this project.

I take this opportunity to thank our **Coordinator, Nirav Goda**, for her moral support and guidance.

I would also like to express my sincere gratitude towards my project guide **Dr.**

Manju Singhania whose guidance and care made the project successful.

I would like to thank my **College Library**, for having provided various reference books and magazines related to my project.

Lastly, I would like to thank each and every person who directly or indirectly helped me in the completion of the project especially **my Parents, and Peers** who supported me throughout my project.

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Effect of merger and acquisition on employee

morale (A case study of Union bank of India, Mira road)

ABSTRACT:

The world of competition is like an ocean where monsters gobble smaller ones therefore one has to be proficient enough to win the rivalry. There is corroboration that large enterprises have merged with smaller competitors in themselves. This study on mergers in the banking industry has been ignited from the case of Union Bank of India and its merged banks. The aim of this paper is to probe the motives of banks for mergers and acquisition with special reference to Indian Banking Industry. This study is conducted on the basis of number of branches in mira road, geographical penetration in the market and benefits from the merger. Apart from their financial aspects, this paper also raises certain questions from the point of view of Employees morale. Management and Organization Behaviour for scholars and researchers. This study leaves footprints on the way of further studies on mergers and acquisitions from a unique outlook.

The study is set out to examine the effect of merger and acquisition on employee morale considering Union bank of India, Mira road to be the main branch as a case study. The requirement for the study arose due to prevalence of information in the branch that indicates low morale and dissatisfaction among the staff due to numerous restructuring in form of merger and acquisition, which also caused numerous problematic situations for the customer as well. Nearly every organization looks into monitoring performance of its employees through an assessment system. Performance management has acquired much more significance over

the past decade; The idea behind this program is to simply manage work of employees. In order to accomplish a performance management program effectively the target and vision should be vividly defined in much advance. Employee morale also carries importance in the area of setting up effective communication channels between an individual employee and superior i.e. based on trust and understanding.

To achieve competitive advantage, Mergers and Acquisitions has become a strategic opportunity for organizations. An exceptional amendment has been witnessed in India in recent years, due to the liberalization by the govt. of India. This study investigated the impact of Mergers and Acquisitions on the employee's job motivation and job satisfaction, psychological and behavioral impact. The analysis witnessed unsatisfying levels of job security and motivation and psychological behavioral aspects among workers who worked post Mergers and Acquisitions. The paper talks about the impact of Mergers and Acquisitions on Human Resource that is often unnoticed. It talks about the advantages & disadvantages of Mergers and Acquisitions. Though Mergers and Acquisitions are seen as tools to boost business in today's international marketplace, they have a low success rate, probably as a result of the main target being financial and legal problems instead of the human factors.

Most mergers have placed focus on economic and political uncertainty in view of the profitability of a business, while ignoring employee morale and wellbeing during the process of transition. Human capital assets are often overlooked during and after a merger. It is important to ensure that employee morale is maintained as motivated employees ensure productivity, which is essential to the organisations' success following the merger and acquisition process. This paper intends to contribute its findings on how employee morale is vital to the success of mergers in the modern world. Special focus will be placed on employees of Union bank of India, mira road. Most mergers or acquisitions result in losing key personnel, thereby affecting the newly-formed company's desired growth strategy. The retention of key personnel is an increasing concern of employers . Mergers and acquisitions therefore ignore employee morale at their own peril. Generally, enterprises that merge or that are acquired base their success on the capability of the involved employees. This ensures the company's success in its ventures going forward. The proper management of employees during a merger results in optimal productivity.

Chapter One:-

Introduction:-



Union Bank of India is one of largest state-owned banks in India. The bank has a strong network of 4298 branches as of 30 June 2018. The bank has 28 extension counters, 60

satellite offices and 48 service branches as of 30 June 2018 in addition to its regular bank branches. Total number of ATMs stood at 12963 including 5407 micro ATMs & 3115 talking ATMs as of 30 June 2018. The bank also has international presence with 4 overseas branches at Hong Kong DIFC (Dubai) Antwerp (Belgium) and Sydney (Australia).

In addition the bank has representative offices at Shanghai Beijing and Abu Dhabi. The bank also operates in the United Kingdom through its wholly owned subsidiary Union Bank of India (UK) Ltd. Union Bank of India's portfolio of services include Retail Banking Corporate/Wholesale Banking Treasury Operations cash management services merchant banking depository services online trading in securities and clearing bank services. Union Bank of India was originally incorporated on November 11, 1919 in Mumbai with the name The Union Bank of India Ltd. In the year 1921 the Bank shifted their registered office to Mumbai Samachar Marg Fort Mumbai which was inaugurated by Mahatma Gandhi.

The Bank entered a growth phase in the 1960s and they aligned their activities in line with the national priorities. In July 19 1969 the Bank was nationalised and the name of the Bank was changed to 'Union Bank of India'. Pursuant to nationalization the Bank sponsored four regional rural banks in 1972. In the year 2002 the Bank undertook their initial public offer of equity shares and the equity shares were subsequently listed on the BSE and NSE.

The Board of Directors of the Transferee Bank and Transferor Bank at their meeting held on March 5, 2020 have approved the following Equity Share Exchange Ratio for amalgamation of Andhra Bank and corporation Bank into union Bank of India:

- a) 325 equity share of the face value of Rs.10 each fully paid up union Bank of India for every 1000 equity share of the face value of Rs. 10 each fully paid up held in the Andhra Bank as on record date.
- b) 330 equity shares of the face value of Rs.10 each fully paid up union Bank of India for every 1000 equity share of the face value of Rs. 2 each fully paid up held in Corporation Bank of India as on record date.

Informed that as per the provisions of amalgamation of Andhra Bank and Corporation Bank in Union Bank of India Scheme, 2020, the Expert Committee, headed by Shri Justice S D Pandit, retired judge of Gujarat High court along with independent members nominated by the Transferor Banks has submitted the report to the Board of Directors of Transferor Bank and Transferee Bank to address the objection of minority shareholders in relation to the Share Exchange Ratio approved by the Board of Directors of Transferor Bank and Transferee Bank in their respective meetings held on March 5, 2020.

The Record date of issuing and allotting of equity share of the Union Bank of India to the shareholders of Andhra Bank and Corporation Bank is March 23, 2020.

The Central Government in exercise of the power conferred by Section 9 of the Banking Companies (Accumulations and Transfer of Undertakings) Act, 1970/1980 after consultation with the Reserve Bank of India has amalgamated Andhra Bank and Corporation Bank into Union Bank of India. It came into force on April 1, 2020.

The Board of Directors of Union Bank of India has approved allotment of 2,98,40,25,503 equity shares (2,97,88,35,104 shares in demat mode and 51,90,399 in physical mode) to the shareholders of Andhra Bank and Corporation Bank. The Bank has received listing approval from the BSE and NSE for 2,97,88,35,104 shares issued in demat mode, effective from April 16, 2020. The shares have been credited to the demat account of shareholders on April 16, 2020. Further due to non-availability of postal services pursuant to lockdown due to COVID 19, the dispatch of physical share certificates could not be done. The same will be done as soon as the postal services are reopened and trading approval for the same will be obtained from the Stock Exchanges post dispatch.

In 2018-19, according to the Reserve Bank of India, frauds reported by Public Sector Banks (PSBs), during the period from April 1, 2019 to September 30, 2019 is 5,743 involving a total amount of 95,760.49 crores. PSBs have a disproportionate share of 85%, significantly

exceeding their relative business share. Prima facie, an initial investigation in these cases has revealed involvement of not only mid level employees, but also of the senior most management and also due to political interference and the 'pro-corporate' approach of decision makers. The banking system is plagued with high levels of NPAs then it is a cause of worry, because it reflects financial distress of borrower clients such as Vijay Malaya, Nirav Modi, Dewan Housing etc, and inefficiencies in transmission mechanisms.

In 2018, according to reports, India became the 10th largest economy in the world, with the highest bad loan ratio after Italy. This is because Government-controlled lenders are estimated to be holding approximately 90 percent of such non-performing assets. The losses incurred by the four PSBs including Bank of Baroda, IDBI Bank Ltd, Oriental Bank of Commerce and Central Bank of India were Rs. 21,646.38 crore in the year ended March 31, 2018, after which the government planned their merger. These catastrophic situations resulted in Centre's forced Bank mergers.

Merging companies doesn't just mean pooling cash assets. Office buildings, factories, equipment and employees function as a whole that is, presumably, greater than the parts.

Most significantly, companies that merge gain the benefits of each other's distribution channels and customers. For instance, if a U.S.-based company acquires a company in Vancouver, Canada, the larger company may gain access to production and distribution channels in a new region. It can now expand across borders without the expense of building new factories or even marketing to the new consumer base.

Stockholders within both companies receive an equal amount of shares for the new company. Since shareholders have the assets of both firms behind their investment, stock values may rise. Presumably, by combining operational costs, the new company's overall expenses will drop and profits will rise.

In an acquisition, a larger company purchases the assets of a smaller firm. Sometimes, c-level executives from the smaller company will remain part of the organization, either in a consultative capacity or by serving on a board of directors. They may even maintain positions in the c-suite if the larger companies see the value of their knowledge and experience.

Other times, after helping smooth the transition of an acquisition, the executive of the smaller company will step away from the new organization. This is usually laid out in the terms of the acquisition.

In spite of the inherent benefits, the impact of mergers and acquisitions on employees can be stressful. Managing the effect of merger and acquisition on employee performance can help business owners mitigate some of the inherent disadvantages in mergers and acquisitions.

Undoubtedly, the impact of mergers and acquisitions on employees is one of the riskiest factors when we explore the advantages and disadvantages of mergers and acquisitions.

Poor employee management can crumble a company, no matter how many new assets it has acquired or how much money it's saving as a result of the merger or acquisition.

Let's look at some of the effects of merger and acquisition on employee performance and how to retain and motivate employees in the face of change.

1. As employees watch their co-workers laid off, they might face uncertainty.

2. Employees from the two organizations may compete instead of working together.

3. Employee morale may suffer as a result of merging two corporate cultures.

4. Employee motivation may drop as frustration with new roles and new co-workers or management increases.

As a business owner or manager, you'll want to face these challenges head on. The best way to minimize the impact of mergers and acquisitions on employees is to be open and honest through every step of the process.

Don't leave employees uncertain about their future; communicate about new roles and lay-offs as quickly as possible to minimize uncertainty.

Also be upfront about the merged corporate culture and what will be expected. Employee training and education and a focus on employees engagement goes a long way. Especially in the case of a merger, you don't want one company culture to overtake the other.

For instance, if one company tends to be casual while the other is more buttoned-up, consider adopting a classic business dress code but implementing casual Fridays to keep a piece of the former company culture alive.

Consider team-building exercises, an after-hours party or a group event such as a ballgame or picnic to help employees from both companies get to know each other better.

Finally, reward individuals and teams who are seamlessly adopting the new culture, rules and processes, and working together with their new co-workers. Small gift cards or even public recognition through a corporate chat channel go a long way toward maintaining motivation and encouraging other employees to embrace life within the new organization.

Mergers and acquisitions may be one of the most stressful experiences employees have to face. But the long-term benefits of mergers and acquisitions for management, stockholders and for the company's bottom line may outweigh the short-term challenges. That's why you often hear all about mergers and acquisitions as a strategic way to grow a budding business.

The perceived organizational support perspective is guided by the principle that most employees need to feel that their organization respects and supports them in order to remain committed and loyal, satisfied with their jobs, and willing to work hard. Accordingly, employees develop global beliefs concerning the extent to which their organizations value their contributions and care about their well-being.

Organizations should evaluate their performance management processes to determine whether they provide a rigorous identification of talent, effectively evaluate behavioral and professional competency development, and appropriately recognize achievements. In addition, organizations should require managers to provide individualized, formal feedback to employees. Managers should be encouraged to view the performance management process as a priority, investing time and energy in mentoring and developmental feedback discussions. Shareholders as a group and policy analysts should focus more on what happens to the combined value.

The empirical evidence in the financial economics literature does not support a more aggressive antitrust policy towards mergers. If anything, the evidence supports a less aggressive merger policy . A case for more aggressive merger policy presumably could be made if mergers systematically lead to increased prices, less innovation, lower quality and other harm to consumers. Existing merger policy is successful on average in deterring antitrust-related problems. Thus, there is no case for a more aggressive merger enforcement policy. At the same time, the results do raise the possibility that a less aggressive merger policy would be desirable.

Companies merge to save on operational expenses and control a bigger market share. Some acquisitions are considered hostile takeovers because one company acquires another company against its will. The merger and acquisition process is complicated and requires each company involved to perform due diligence . Before the merger or acquisition is complete, the due diligence process should show all parties involved if completing the transaction will yield positive results. A less aggressive merger policy would lead to more mergers with clear efficiency gains at the possible, but not clear expense of some increase in market power. To the extent that advances in information technology and globalization have increased the extent of competition today relative to the previous two decades, a less aggressive merger policy would be appropriate. Mergers and acquisitions in the banking sector are forms of horizontal merger because the merging entities are involved in the same kind of business or commercial activities.

Sometimes, non-banking financial institutions are also merged with other banks if they provide similar types of services. Through mergers and acquisitions in the banking sector, the banks look for strategic benefits in the banking sector. They also try to enhance their customer base. In the context of mergers and acquisitions in the banking sector, it can be reckoned that size does matter and growth in size can be achieved through mergers and acquisitions quite easily. Growth achieved by taking assistance of the 26 mergers and acquisitions in the banking sector may be described as inorganic growth. Banks are adopting policies for mergers and acquisitions.

Managing and maintaining employee morale is one of the most essential functions of effective Human Resources. The cliché that a happy worker is a productive worker is a cliché for a reason. While it may be more accurate to say that an unhappy worker is an unproductive worker, every Human Resource professional knows the value in good morale staff.

Many organizations today promote the open door policy, where an employee is free to express what they feel to their superiors or their reporting authority because they are open to feedback. If your employees know their voice is being heard and they are considered as an integral part of the organization, this will reflect in their confidence.

If the employees feel they cannot share information with you, there are greater chances that the information will never be conveyed to you rather will just make rounds within the team and you will be alienated from whatever is happening in your own team. Instead be receptive to feedback, transparency is the need of the hour for most organizations and so it should be.

Finally, employee morale is not just the employee's responsibility or attitude. It is a collective responsibility of the employees and the organization to provide a conducive working environment and a workplace culture that exudes positivity and goodwill. Work culture is because of the employees and they should know the importance of values and morale. To achieve the best, it is important to first be the best.

Change is unavoidable in modern businesses. Change within organizations and markets can be driven by a number of factors, such as technological innovation, a changing legal environment, or evolving consumer tastes. Small business owners must be aware of the pros and cons of change in business in order to maximize the effectiveness of their change management skills.

It is important to garner buy-in from managers and front line employees in order to maximize the effectiveness of the change and the change process itself. Unfortunately this is not always easy to achieve. While some people in your organization are likely to welcome the change,

most times there are at least a handful of key employees who will resist it. In this way, change can increase the productivity and satisfaction of some employees, while reducing the productivity and satisfaction of others. Change resisters can spread doubt and fear among other employees. Focus on discovering the true motivations and needs of this group and work with them, rather than against them, to help them realize the importance and benefits of the change.

Some changes, such as the decision to outsource a department, can lead to damaged relationships between the company and its employees, and can ultimately have a negative effect on the company's reputation in the workforce. Others, such as promoting employees internally or adding new departments by hiring fresh talent, can strengthen and widen the company's relationships. At times it may be impossible to save a company without offending or severing ties with certain employee groups. Work closely with these groups to ensure that their difficult transition is as beneficial to them as possible.

Change initiatives are generally implemented for the good of a company, but the results of change can be unpredictable. While most organizational changes are brought about after considerable research and discussion, it is still possible for a company to be worse off after a change. Whether it is a change in business model, target market, organizational structure, or even leadership, the success of the business will be affected one way or another. Do not implement company-wide changes on a whim; perform extensive research and testing to be as certain as possible of a positive impact.

When an organization creates teams, division within the organization can occur. Sometimes this division can result in competitiveness that improves productivity. However, before implementing teams in an organization, it should consider the disadvantages associated with teams.

Organizations need to compensate for the inevitable delays that result from creating new teams. When the team generates new ideas, the team will have to discuss them. This generally requires meetings. Organizations that implement teams need to set up policies to

make these meetings more effective. The meeting should always have a purpose and a goal. This allows meetings to proceed more efficiently and not waste the time of the organization or the team members. Team meetings can often become social gatherings if not properly managed, and this can result in delays for the organization.

When you put a group of people together, conflict is a common result. The organization must recognize the different types of conflict that exist within teams and deal with these conflicts immediately. Cognitive conflict results from problems related to differences of opinion. Cognitive conflict frequently occurs because the experiences that each team member brings to the table produce different views about different subjects. Affective conflict, on the other hand, results from personal differences between the team members. This type of conflict has a more destructive effect on the team, resulting in arguments, hostility and resentment. In organizations that use single-person decision-making, decisions can be made quickly.

Employees who work in pre- and post-mergers and acquisitions environments feel a strong threat to their job security while working in such an environment. Workers may have skills and traits that are well suited to other jobs and or/firms, but not to their present job or employer. Ashford, Lee and Bobko (1989) found empirically that the greater the number of changes in an organization, the greater the perceived job insecurity by the employees and in turn, this perceived job insecurity is negatively related to organizational commitment, trust in organization, job satisfaction and ultimately, job performance.

A merger or acquisition provides an impetus for employees whose matches are poor to seek out (by their own volition or after being laid off) appropriate work elsewhere. The opportunity to find a better match leads to a rise in the average quality of the match among departing employees. In a competitive labour market, the quality of the match is reflected in the worker's earnings. Negative reactions may lead to significantly lower levels of job satisfaction and job security and less favorable attitudes toward management.

Employees often cope with the uncertainty surrounding a merger by reducing levels of commitment and instead use energy either to cope with anxiety and confusion or to try to find

new employment opportunities. Another noticeable analysis by Davy et al. involves a field study in a large firm aiming to determine the direct impact on employee's attitudes, performance and behavioral intentions over time. Their participants completed survey questionnaires on 2 separate occasions: less than a month after the completion of the sale and the second one three months later.

Their findings suggest that employee's attitudes and intentions to leave or be absent deteriorate between the first and the second survey. The feelings of job insecurity significantly increase, which is consistent with the fact that layoffs indeed did occur during the three-month period between the surveys. Also, organizational commitment significantly decreases, while intentions to leave and be absent increase. As organizational commitment declines, workers tend to look for new jobs, which distracts them from their current work, thus, there seems to be a direct connection between changes in attitudes and intentions.

Moreover, employee's evaluations of their performance changed, as respondents reported that their performance over the last three months was lower than in all their years of service. Davy et al found that employees evaluated the communication program positively and, as expected, these evaluations correlated significantly with perceptions of personal control, organizational commitment and job satisfaction. Interestingly, job security, intention to quit and intention to be absent and performance were not significantly correlated with the program evaluations. These results indicate that positive reactions to the communication program engender higher perceptions of control, organizational commitment, job satisfaction and lower intentions to quit and be absent. Performance, similar to the previous studies mentioned in this review did not seem to be affected by the employee's attitudes and intentions.

It is also plausible to conjecture that a change in ownership provides an opportunity to implement key organizational changes. That is, the acquisition may be a catalyst that enables managers to undertake tough business decisions, such as firing unproductive workers or hiring better ones. Employees' feelings of insecurity and loss may cascade downward through the organization. Anxiety and insecurity will divert the employee's attention away from business needs and focus on negative aspects, such as why the merger won't work.

Thus, it is imperative to conduct a 'talent audit' before the acquisition, to ascertain the managerial and personnel talent which the acquiring organization wants to or must retain for future success. Managers may have held off making such decisions, yet are compelled to implement workforce reduction programs due to financially-induced stress associated with the new ownership regime (i.e., a mandate to cut costs and increase performance). These pressures should also result in an improvement in the average quality of the workforce. Therefore, given the magnitude and importance of the employees' psychological reactions on the merger outcome, it is very important to understand the sources of this stress and the way it affects the organization in order to be able to reduce employee resistance as a way to maximize synergy realization.

However, once the organization implements teams, it needs input from several people. This can prolong the decision-making process and complicate making even the simplest decisions. The organization should train teams and their leaders to make timely decisions. In addition, when making decisions, consensus can become part of the team's culture. This can stifle creativity and innovation within the organization.

When implementing teams, organizations may experience diminished productivity. A period of adjustment may occur after forming new teams. This adjustment may require training and can slow down productivity within the organization. Additionally, members of a team may not participate equally. Because output is the result of the team's efforts, the organization may have a difficult time identifying the weak performers and addressing the problems accordingly. Many teams are not conducive to using imagination and may restrain individuals who do not work well within a team environment.

When two companies merge to form a new business entity, many human resources and corporate culture issues arise. Typically, companies that plan for these things prior to the merger work through them more effectively. The goal of the post-merger stage is to establish a new business operation, flow and culture as quickly as possible. Small businesses may have

an advantage in that fewer employees are affected than is typically the case with larger organizations.

One of the most challenging HR issues following a merger is the attitudes of the employees. Depending on the effect the merger has on their jobs, employees can become worried, disgruntled or resentful. Some may have resentment if friends or colleagues were let go following the merger. Others are worried about how their jobs may change. Change is a major cause of stress for most people, and job roles often change significantly.

Every organization has a unique cultural makeup. The shared norms and values in a company evolve over time, are typically guided by leaders and are perpetuated by employees. When two entities combine, they bring two distinct cultures. HR professionals must diligently work to build a new organizational culture without forcing employees to give up key values and rituals they have enjoyed. Many newly merged companies conduct more regular employee meetings and try to organize company activities during the first few months.

Whichever organizations leadership remains in charge following the merger often influences the direction of pay and benefits in the new company. Generally, if employees gain or experience consistency in pay and benefits, issues are minimized. If some employees are asked to take pay decreases or face significant benefits cuts, complaining and low morale will likely result.

Mergers and acquisitions as an external growth strategy has gained surge because of increased deregulation, privatization, globalization and liberalization adopted by several countries. Mergers and acquisitions have become an important medium to expand product portfolios, enter new markets and acquire technology, gain access to research and development and gain access to resources which would enable the company to compete on a global scale (Yadav and Kumar, 2005). There are many reasons to merge with or to acquire another company: greater market share, diversification into a related group of products or services, expansion up or down the supply chain, gaining cutting edge expertise for new product development.

The study concludes that employee pay and remuneration affect employee performance in the merged organization. Mergers affect the sense of ownership and belonging among the employees in the Bank hence their performance. Job security affects the employee performance in the Bank. Chain of command affects the employees' performance in the Bank. The management of the Bank should also check the quantity of work and compare with the salary given to the employees. The Bank should increase formal and informal training programs to their staff so as to enhance their sense of ownership and hence performance through mergers and acquisitions. Measures and strategies in order to enhance job security among employees in the merged banks should be achieved by creating an environment that enhances their motivation level to satisfactory levels.

Integrating employees from the merging organizations is critical to maintaining or improving production and performance quickly following the merger. The first step is to introduce new colleagues and give them ample time and opportunity to bond. Team-building activities and scheduled department meetings strengthen rapport and enable work groups to formulate new ways of doing things.

You would be hard-pressed to find anyone who wouldn't benefit from studying at least some principles of organizational communication. Simply put, this field examines communications in an office or work setting that lead to a clearer understanding of virtually every human process that occurs there. This understanding can enhance leadership skills and lead to increased workplace productivity. Every organization has formal communication. Think of your organizational flow chart that clearly delineates the chain of command and thus information flow. Internal memoranda and policy manuals are also examples of formal organizational communications. This communication flows downward, such as from management to staff, or upward, from staff to management. There is also horizontal communication occurring among employees at the same level, such as in task forces or work groups.

Informal communication occurs naturally and usually unconsciously within organizations on a daily basis. Office grapevines or casual colleague lunches are examples of informal

communications. These communications are necessary for, and indicative of, a relaxed organizational culture but should not be so pervasive that they replace formal communications.

Interpersonal communication has an increased importance in organizations as telecommuting or online communications become more popular. This method of face-to-face communication allows the participants -- the senders and receivers of messages -- to process all communication operators such as verbal and non-verbal communications. Verbal is how something is said, such as volume and inflection of the voice. Non-verbal includes facial expressions, eye contact and body language. Having access to these communication cues can eliminate confusion and misunderstandings.

One unfortunate consequence of mergers and acquisitions is that employees are often required to take on additional workloads. Accordingly, organizations should require managers to have conversations with employees about their potential new roles subsequent to the merger or acquisition and support them, as much as possible, in developing/ acquiring/ learning the knowledge, skills, and tools necessary to be effective in that new role. Further, due to the merger low level employees find themselves reporting to several managers or supervisors creating some sort of conflict where the staff is caught between the two. Schweiger and Denisi designed a longitudinal field experiment that evaluates the effects of a communication program that they called a realistic merger preview. Their study was intended to answer the question of whether such a program could mitigate the expected negative effects of mergers and acquisitions on employees.

The challenging local and global macroeconomic environment, slowed economic performance and credit rating downgrades of major economies, embarked on a significant monetary tightening stance, in an effort to reduce rising inflation and stabilize the Kenya shilling. According to the Deposit Protection Fund Board Report of 2010 (Deposit Protection Fund Board, 2010) the Kenyan banking industry has continued on a growth trajectory in response to globalization, technological advancement, competition, economic vibrancy and increased

customer sophistication calling for aggressive re-orientation of products and services. This has been in efforts to meet the ever changing customer needs and preferences as well as reach the unbanked groups. As such the financial institutions were required to re-state the deposits that form the input to CBK monthly return and deposits for the purposes of insurance premium assessment to include products in the market that are deposits in nature such as foreign currency deposits and transactions accounts.

The firms that merge or undergo acquisitions are deemed to expand their financial structure which can work to their advantage in many ways such as increase in branch network and customer base for Equatorial Commercial banks. However, due to the presence of various chains of command, different organizational structures and cultures, the employees in the firms that have undergone either mergers or acquisitions usually experience challenges that affect their performance. This study therefore aims to look at the project planning aspect of this mergers and acquisitions by investigating their influence on employee performance where the focus will be on Equatorial Commercial Bank.

The transfer of duties is one of the most important developments not only within the banking sector but also in the economy as a whole. Transfer of services in the banking sector initially involved non-core functions, such as cleaning, catering, maintenance and IT services. In the latest years, however, it is also used for providing core functions, such as customer service. Customer service and various sales functions are performed today by call centres, where a great number of tasks are carried out by low skilled and poorly remunerated personnel and with almost no trade union activity. The job of call centres is characterized worldwide by unskilled work and duties that do not require particular training, loose chain of command, Short-term contracts that create work insecurity, Staff mostly consisting of young people and women (Weber, 2000). While employees in the banking sector consider these changes to be extremely negative, the contrary view also needs to be stated.

According to this view, the new technologies as well as the M&A wave will not reduce the number of jobs in the financial services sector; they will redistribute these jobs among the new duties. Indeed, a decrease in staff employed in bank central offices has been observed, however this decrease is accompanied by employment increase as far as jobs involving executive duties are concerned. With the introduction of new technologies former duties have been dispensed and, at the same time, new jobs are created, requiring high-skilled and qualified people. Internet banking provides new jobs to computer engineers, a skill that was not traditionally needed in this sector. The increasing importance of strategic decisions made in today's economic environment of continuous M&A leads to the transfer of highly specialized tasks, such as legal and financial services, system design, publicity, consultation, asset management.

Mergers and acquisitions can be expected to have differential effects on employees' level of motivation. The new owners of these facilities recognize that the merger or acquisition creates a window of opportunity for improving the sorting and matching of workers across plants. They use the transaction as a mechanism to discard unproductive workers, upgrade the skills of existing workers, and hire new employees whose skills better suit the new organization. On the managerial side, another signal of a bad match between an employee and a given plant occurs when workers are over-compensated, relative to employees with similar characteristics in the same industry. If matching is working well and workers are well-sorted, they should be paid on the basis of their productivity. When there is a bad match, a worker may be paid the prevailing wage, even when he or she is not productive enough to warrant this level of compensation.

In order to decrease post-M&A attrition, over the long term, organizations and managers must take tangible steps to improve employee commitment and employee retention by providing additional support. These types of effort can help keep your critical talent, intellectual capital, and client relationships on board. Due diligence like developing the preferred employment model, identifying high-performing employees and critical roles, developing a retention strategy and designing a retention program and obtaining program 24 and budget approvals. Planning for the impact on people and organizations should be an integral part of business

planning and strategy for any merger or acquisition. Too often, preparation for the deal stops short of adequate assessment of these issues. Indeed, the required due diligence process, although of crucial importance, often does not go beyond fundamental financial, employment, and legal matters. Integration advisory involves developing a communication strategy, developing performance management programs, creating training programs, providing leadership coaching, facilitating employee focus groups or round tables and developing employee engagement surveys and assessments.

Further motivation can be achieved through program management like completing management transitions, improving communication across entities and facilitating complex integration activities . The effects of mergers and acquisitions on employee morale can be significant if the reorganization of the business is not handled effectively. During any merger or acquisition effort, there are at least two groups of employees involved, often coming from organizations with distinctly different cultures and styles. Learning a new culture can be challenging, but is especially so when employees are faced with uncertainty about what the future may hold and whose job is on the chopping block.

Organizational culture is an unspoken network of understanding that defines an organization's norms and standards -- a reality that has been created over time. An established culture is important for communication because it clarifies expectations for certain norms and behaviors and can even increase productivity. If a leader tries to change the culture, she has to do so strategically, understanding what is important to change and leaving alone those elements that aren't significant. Employees who have difficulties operating within a certain culture, or reject attempts to change it, can feel a dissonance that can lead to conflict.

Merger in the institutions creates a sense of competition and a better utilization of each other's strength. On the other hand such mergers result in a reduction of their employees through offering handsome packages in the shape of golden handshake etc. This situation sometimes creates tension for all individuals who are working in financial institutions. Advancement in

technology, development of good management practices' and cost effective utilization of the scarce resources, demand that organizations at large improve their work environment in order to remain viable in the competitive market scenario. Pressing demands from the stakeholders and ever ready entry of the opportune investor forces the market segment to remain alert in all kinds of situations and to increase their profits by enhancing performance. In particular, financial institutions have a lot to do in the present situation in Pakistan.

Immense competition and growth in this sector demands operating with fine practices. Conflict may surface due to pressure from the market. Conflict is not bad if it produces positive results but high level of task conflict leads to reduction 23 in team commitment and team member's satisfaction. In the wake of competition, management strives to adopt an efficient approach in the discharge of work by the employees to accrue the desired output. Such efforts make the management go in search of advanced practices.

In this pursuit, the management brings about the changes whereby a conflict free environment is provided to the employees. Similarly, once the problem is identified, it is resolved in order to keep employees away from adverse situations, which arises at the time. Cognizance of the importance of conflict resolution, the researchers have embarked upon this study. It provides an opportunity to the management, to resolve the issue at the initial stages. Smooth and easy work environment would help the employee to apply his capabilities whole heartedly in discharge of their primary function.

Chapter Two:-

Research Methodology:-

Definition of terms:

Merger and acquisition :-

Mergers and acquisitions (M&A) is a general term used to describe the consolidation of companies or assets through various types of financial transactions, including mergers, acquisitions, consolidations, tender offers, purchase of assets, and management acquisitions. They are means of establishing the organizational purpose in terms of its long-term objectives, action programs and resource allocation through combining forces. These are business combinations which occur when one company takes over another company by getting hold of the share capital of another in exchange for cash, ordinary shares, loan stock, or some mixture of the two resulting in the identity of the acquired being absorbed into that of the acquirer. Mergers and acquisition are both aspects of strategic management, corporate finance and management dealing with buying, selling, dividing and combining of different companies and similar entities that can help an enterprise grow rapidly in its sector or location of the origin, or a new field new location, without creating a subsidiary, other child entity or using a joint venture. The terms mergers and acquisitions are often used interchangeably but differ in meaning.

1. In an acquisition, one company purchases the other outright.
2. A merger is the combination of two firms, which subsequently form a new legal entity under the banner of one corporate name.

For the entire mergers and acquisitions process to be a success there must be a transfer of the capabilities and knowledge for cost effective synergies to become a reality. There are certain objectives and reasons for mergers and acquisitions that propel the increase in mergers and acquisitions. These include; desire to increase the size of the organization to ensure it reaps the benefits of enhanced economies of scale, business combination also leads to risk diversification, particularly where the two companies have different income streams, increasing the company's market competitiveness; thus, being in a position to stay off competition. The strategy may also be used as a means of avoiding taxation, as a means of achieving the organizations' growth objectives by expanding their existing markets or by entering in new markets, businesses with good potential may be poorly managed and the

assets underutilized, thus resulting in a low return being achieved as a result such a business is likely to attract a takeover bid from a more successful company.

M&A can be seen as means of accessing growth through two ways; firstly, developing the strengths that the organization currently possess and secondly, acquiring the strong points or competitive edge enjoyed by another organization. This notion is supported by Salleo (2002), mergers & acquisitions are a means of reinforcing existing capabilities and for accessing a new set of valuable capabilities, which are difficult to imitate, not widely available and integrated in an indivisible part of another firm. This view on M&As is similar to that put forward by Kang and Johansson (2000), as the two authors refer to strategy as a process that enables the organization achieve its goals in much shorter time once it harnesses the strengths of the firm with which it engages in the strategic partnership.

This perspective of business structures, there are a whole host of different mergers. Horizontal mergers occur where two companies that are in direct competition share the same product lines and markets. Vertical mergers are combinations that involve a customer and company or a supplier and company for instance a cone supplier merging with an ice cream maker. Market-extension mergers are mergers where two companies that sell the same products in different markets merge. Product-extension mergers occur when two companies selling different but related products in the same market. Conglomerate merger involves two companies that have no common business areas.

In addition there are two types of mergers that are distinguished by how the merger is financed. Each has certain implications for the companies involved and for investors: Purchase Mergers is the kind of merger that occurs when one company purchases another. The purchase is made with cash or through the issue of some kind of debt instrument; the sale is taxable. Acquiring companies often prefer this type of merger because it can provide them with a tax benefit.

Acquired assets can be written-up to the actual purchase price, and the difference between the book value and the purchase price of the assets can depreciate annually, reducing taxes

payable by the acquiring company. Consolidation Mergers is a merger where a brand new company is formed and both companies are bought and combined under the new entity. The tax terms are the same as those of a purchase merger. ECB took a horizontal merger to combine the two banks that previously operated in the same industrial settings and competed for the same market.

Employee:-

An employee is an individual who was hired by an employer to do a specific job. The employee is hired by the employer after an application and interview process results in his or her selection as an employee. This selection occurs after the applicant is found by the employer to be the most qualified of their applicants to do the job for which they are hiring. An employee is anyone who has agreed to be employed, under a contract of service, to work for some form of payment. This can include wages, salary, commission and piece rates.

Employees are likely to be reimbursed for any costs they incur while working. However, many employees have some form of unreimbursed cost, like the gas it takes to drive to work. There isn't a specified limit for how much cost a worker can personally take on before they become a contractor. As a general rule of thumb, the more of your own money you put toward buying supplies and equipment, the more likely you are to be a contractor rather than an employee. An employee is guaranteed a set wage over a certain time, such as hourly pay or annual salary.

Employee morale :-

Morale is the internal feeling of confidence, enthusiasm, zeal, satisfaction, optimism which keeps the frustration level of a person low and he remains satisfied. These are the job related activities expected of a worker and how well those tasks are executed to satisfy the rating system used to determine the abilities and output of an employee. Many researchers have defined morale in different ways:

In the words of Theo Haimann, "Morale is the state of mind and emotions affecting the attitude and willingness to work, which, in turn affect individual and organisational objectives."

Mooney states, "Morale is the sum total of several psychic qualities which include courage, fortitude, resolution and above all, confidence."

Davis states, "Organisational morale is basically a mental condition of groups and individuals which determines their attitude."

Guion defines morale as "The extent to which an individual's needs are satisfied and the extent to which individual perceives that satisfaction as stemming from his total job satisfaction."

Dr Leighton defined morale as "Capacity of a group of people to pull together persistently and consistently in pursuit of a common purpose."

Miller and Form present three definitions of morale:

"First, morale refers to the total satisfaction which the individual acquires as a result of his membership and involvement in an organisational setting. Second, it relates to the state of motivational drives through which the individuals (group members) tend to accomplish goals and face the future challenges. Third, it is the consensus or "spirit de corps" revealed by a group which makes efforts towards the accomplishment of its goals."

Conclusively, it can be said that morale is the mental condition or internal feeling of satisfaction from a job, feeling of courage, zeal and enthusiasm. Morale affects the attitude and hence the job satisfaction.

Employee morale is defined as the attitude, satisfaction and overall outlook of employees during their association with an organization or a business. An employee that is satisfied and motivated at the workplace usually tends to have a higher morale than their counterparts. Employee engagement and employee satisfaction play an important role for employees to be happy in their workplace.

It is important for the human resources to recruit and assign people based on their skillset. You cannot hire a lawyer and expect him/her to carry out tasks that you would expect an engineer to do. Allowing people to work based on their competency is a win-win situation for both employees and employers.

Talent management is complex, yet necessary. If you cannot manage your employees and assign them tasks that they are hired to carry out then it's time to rethink your strategies because clearly, they will not yield the expected results. Therefore, make sure you invest in a competent human resources team, so the talent that is acquired performs well and stays happy.

On the contrary, employees who are not happy in their workplace, who constantly complain and crib about the various attributes in an organization, like employee policies, workplace culture, facilities at work etc. tend to have a low employee morale. This is quite evident in their behavior. Employee morale is a complex concept because it involves a lot of factors that affect their morale.

Most organizations fail to understand the importance of training their staff. Be it employee onboard or any other formal training process, employees should be well-equipped to perform their tasks at work and achieve their goals. There should be a budget assigned at the start of the financial year that facilitates the training and development program.

These training will help employees sharpen their skills, which will not only benefit them but also the organization. A well organized and self-sufficient workforce is every organization's dream, so pay for these courses that ignite imagination and spark curiosity, build confidence and lead to a high morale workforce.

Union bank of India:-

It is one of the largest government-owned banks of India with 120+ million customers and a total business of US\$106 billion. After the amalgamation with Corporation Bank and Andhra Bank, which came into effect on 1 April 2020, the amalgamated entity becomes the fourth largest bank in terms of branch network. UBI now has around 9500 branches after the amalgamation. Four of these are overseas in Hong Kong, Dubai, Antwerp, and Sydney. UBI also has representative offices at Shanghai, Beijing and Abu Dhabi. Lastly, UBI operates in the United Kingdom through its wholly owned subsidiary, Union Bank of India (UK). Union Bank of India was the anchor bank for both Andhra Bank and Corporation Bank, which came into effect on 1 April 2020 as announced by finance Minister of India Nirmala Sitharaman.

Union Bank of India (UBI) was registered on 11 November 1919 as a limited company in Mumbai and was inaugurated by Mahatma Gandhi. At the time of India's Independence in 1947, UBI only had four branches, three in Mumbai and one in Saurashtra, all concentrated in key trade centres. After Independence UBI accelerated its growth and by the time the government nationalized it in 1969, it had grown to 240 branches in 28 states. Shortly after nationalization, UBI merged with Belgaum Bank, a private sector bank established in 1930 that had itself merged in a bank in 1964, the Shri Jadeya Shankarling Bank. Then in 1985 UBI merged with Miraj State Bank, which had been established in 1929.

In 1999 the Reserve Bank of India requested that UBI acquire Sikkim Bank in a rescue after extensive irregularities had been discovered at the non-scheduled bank. Sikkim Bank had eight branches located in the North-east, which was attractive to UBI. UBI began its international expansion in 2007 with the opening of representative offices in Abu Dhabi, United Arab Emirates, and Shanghai, People's Republic of China. The next year, UBI established a

branch in Hong Kong, its first branch outside India. In 2009, UBI opened a representative office in Sydney, Australia.

Andhra Bank:-

Andhra Bank was founded by the eminent freedom fighter and a multifaceted genius, Dr. Bhogaraju Pattabhi Sitaramayya. The Bank was registered on November 20, 1923 and commenced business on November 28, 1923 with a paid up capital of Rs1.00 lakh and an authorised capital of Rs10.00 lakhs.

Apart from regular banking services and solutions, Andhra Bank has introduced some attractive services such as AB Premium Current Account and AB Privilege Corporate Salary Savings Bank Account with extra benefits to the customers. Also, the bank has launched AB Saral Housing Loan scheme featuring housing loans upto Rs. 20 Lacs.

Andhra Bank has also partnered with various financial institutions like Kotak Mahindra, Reliance, Birla Sun Life Mutual Fund and Fidelity Mutual Fund, assisting them in sales of their Mutual Fund products. The bank has also signed a Memorandum of Understanding (MoU) with Maruti Suzuki Ltd. for financing 4 wheeler vehicles.

Andhra Bank is the first bank in India to have launched mobile biometric ATMs. These ATMs stop at predestinated sites, and instead of entering the personal identification number (PIN), the customers have to match their fingerprints with their recorded finger prints in the bank database. This has enabled even the illiterate or uneducated customers of the bank to enjoy the ATM facility being offered by the bank.

Andhra Bank offers various special insurance and health benefit schemes including the Kiddy Bank Scheme and the Swashya Bima Yojana. Andhra Bank opened its first representative office in Dubai in May, 2006.

Corporation Bank:-

Corporation Bank incorporated in the year 1906 with a seed capital of Rs.5000. The Bank has Representative Offices at Dubai and at Hong Kong. Presently, the Bank has a network of 1361 fully automated CBS branches, 1250 ATMs and 2500 Branchless Banking Units across the country.

The Bank has many 'firsts' to its credit – Cash Management Services, Gold Banking, m–Commerce, Online approvals for Educational loans, 100% CBS Compliance. On August 2010, Corporation Bank has inked a memorandum of understanding (MoU) with Unique Identification Authority of India (UIDAI), following which it will act as registrar for unique identification project 'Aadhar'.

Corporation Bank in September 2010 has signed a memorandum of understanding (MoU) with United India Insurance (UII), public sector non–life insurance major for distributing micro insurance and other rural insurance products through its business correspondents. The Bank has one Subsidiary viz. CorpBank Securities formed as a Primary Dealer to deal in Government Securities. The Subsidiary has recorded impressive performance over the years. The Bank also has a Regional Rural Bank namely CHIKO Bank covering Kodagu and Chikmagalur districts in Karnataka.

Productivity :-

Generally, it is believed that high morale will lead to high productivity means the morale and productivity have a direct relationship with each other, they are positively correlated Human Religionists have contended that High morale and high productivity always go together like east and west sides of an elevator. But on the other hand, according to Prof Keith Davis, "There is not always a positive correlation between morale and productivity." A manager can push for high productivity by using scientific management techniques. High production and low morale may result but it is doubtful whether this combination can last. The opposite can also occur; there can be low production with high morale.

Morale is the enthusiasm and willingness to work with which the people perform their assigned work with zeal and sincerity resulting in good teamwork and high morale. If they feel frustration, of rudes, disappointments and discontents, they will have low morale. The research by Rensis Likert indicated the fact that there can be different combinations of morale and productivity.

The high morale in most cases results in high productivity only when the workers are motivated in high spirit and right type of supervision. There is a circular relationship between morale and productivity in this situation. This is an ideal state of affairs because it leads to optimum utilization of human resources along with other resources.

The low morale and high productivity exists only when management is highly production oriented. In such a situation, the management uses the best technology and penalties for low production. The management will not cooperate with the workers and avoids the feelings of the men at work. The feeling of insecurity and loss of seniority and other benefits impel the employees to maintain high productivity.

A negative relationship between morale and productivity arises when employees do not feel Committed to the goals and merely satisfied with the working conditions of the organisation. In such circumstances more of the workers may be high morale at the cost of low productivity.

Low morale often results in low productivity due to absence of proper motivation and morale. Here also a circular relationship exists between them. Low morale will pull down the productivity and low productivity will shake the morale of the employees.

In the nutshell a manager has to work for improving the morale of his employees. High morale makes the work more pleasant and will go a long way in improving the work climate. It helps the workgroup to attain goals easily, smoothly and more importantly.

It describes various measures of the efficiency of production. Often, a productivity measure is expressed as the ratio of an aggregate output to a single input or an aggregate input used in a production process, i.e. output per unit of input, typically over a specific period of time. The most common example is the (aggregate) labour productivity measure, e.g., such as GDP per worker. There are many different definitions of productivity (including those that are not defined as ratios of output to input) and the choice among them depends on the purpose of the productivity measurement and/or data availability. The key source of difference between various productivity measures is also usually related (directly or indirectly) to how the outputs and the inputs are aggregated into scalars to obtain such a ratio-type measure of productivity.

Aims and objectives:-

The main objective of this study is to examine effect of merger and acquisition on employees morale (A case study of Union Bank of India, Mira road) are as follows :-

1. To measure the effect of merger and acquisition on employees confidence and spirit in Mira road branch of Union Bank of India.
2. To examine job satisfaction and the effect of new culture on the employees.
3. To examine how new policies and restrictions are handled by employees due to merger and acquisition.
4. To examine how much pressure is put on to the employees because of the merger and how they are coping up with it.
5. To examine the zeal to take on newer tasks.
6. To appraise their will to continue to work with the same employer

Characters of the study:-

The word morale does not convey any favorable or unfavorable meaning. It is dynamic in nature and represents the attitudes and sentiments of the workers. It is multidimensional in the sense that it recognises the influence on job situation as attitudes of individuals and also includes the role of human needs as motivational force.

The other features of morale are as follows:

- 1) It is a composite of feelings, attitudes and sentiments of the employees.
- 2) It is the degree or enthusiasm and willingness with which the employees contribute their efforts towards the organisational goals.
- 3) It is different from job satisfaction because morale refers to group concepts while job satisfaction is an individual concept.
- 4) The degree of morale can be estimated through labour absenteeism and turnover.
- 5) It is both an individual and a group phenomenon. The high moral is reflected in good team and team spirit in case of group morale.
- 6) Morale is the primary concern of the management because high production and productivity of workers are the direct result of high morale.

The following important characteristics of morale:

- 1) Morale is a state of mental health which is closely associated with loyalty, egoism and enthusiasm.
- 2) Morale is a densification of group interest, interest of organisation, fellow workers and requirements of the job.
- 3) Morale is the subjective feeling of the employees.
- 4) Morale affects behaviour, performance and discipline.
- 5) Morale can be assessed in the form of productivity, employee discipline, absenteeism and turnover.
- 6) Morale is an index of good industrial relations.

Hypothesis:-

Ho : There is no significant relationship between merger and acquisition and employees confidence on a given responsibility.

Hi : There is a significant relationship between merger and acquisition and employees confidence on a given responsibility.

Ho : There is no significant relationship between merger and acquisition and employee retention.

Hi : There is a significant relationship between merger and acquisition and employees retention.

Ho : There is no significant relationship between merger and acquisition and employees zeal to take on newer tasks.

Hi : There is a significant relationship between merger and acquisition and employees zeal to take on newer tasks.

Ho : There is no significant relationship between merger and acquisition and employee job satisfaction.

Hi : There is a significant relationship between merger and acquisition and employee job satisfaction.

Ho : There is no significant relationship between merger and acquisition and employee to continue to work with the same employer.

Hi : There is a significant relationship between merger and acquisition and employees continuing to work with the same employer.

Scope of the study :-

The scope of the study is bounded to Union Bank of India, Mira Road Branch. All the research and recommendations of the study are based on issued questionnaires to employees of the bank. As well as the finding of the study are also based on oral interaction with the employees

of the branches. A wider scope could not be covered due to busy schedules of the bank during this pandemic, limited financial constraints and keeping safety measures in mind.

Morale is a mental condition or attitude of individuals or groups which determines their willingness to cooperate. Morale is an important part of the organizational climate. It is a vital ingredient of organizational success because it reflects the attitudes and sentiments of organizational members towards the organization, its objectives and policies. These attitudes and sentiments largely affect productivity and satisfaction of individuals. Morale is the total satisfaction a person derives from his job, his workgroup, his boss, his organization and his environment.

The study is conducted to analyze the overall performance of Union Bank of India post –merger and to know how the performance Differs from that in the pre-merger stage. The study also analyzes the impact of bank merging of Union bank of India and its Associate banks on their customers, employees and the prevailing issues related to merging. This study is confined to UNI branches in Mira road. The samples are selected from customers and Employees of SBI branches in Mira road. Also, there are many issues relating to bank merging, but this Study is confined only to the impact of bank merging on customers, employees and performance.



Significance of the study :-

The significance of this study is to understand the culture of the organisation which has been through merger and acquisition and find the difficulties or atrocities faced by the employees due to the above mentioned atrocities. To help how the employees are affected and how is the moral of the employees in the organization.

The study will aid organizations currently undertaking strategic changes through mergers and acquisitions to design and implement corporate governance policies that will benefit both the employees in the acquired firm and that of the parent company. Various insights into how confidence, zeal, commitment and overall productivity of the employee can be effected through merger and acquisition will be given a spotlight in the study to further enlighten various managers of the organizations on proper ways to go about merging and acquiring of other firms without taking risk on productivity and confidence of the employees at stake.

Continuous surveys on risks to which individuals and institutions are exposed helps identification of markets. Thorough analysis of the trends in various aspects of social and

commercial settings functions to broaden the opportunities from time to time. Most managers are locked into the belief that they need to conduct annual or bi-annual performance appraisals with their staff. Yet they acknowledge, on the other hand, that the system is not working. There is currently a plethora of comments on the value of the performance review. Performance management is increasingly being spoken of in articles, blogs and management books and is the topic of conversation at management conferences all over the world.

Organizational psychologists tell us time and time again about the importance of feedback and its link to performance improvement and motivation. You would be hard pressed to find a book on management and leadership that doesn't extol the virtues of timely, tactful and specific feedback on morale.

Since morale is fundamentally the result of good human relations, its promotion is the primary responsibility of the management. It should be remembered, however, that the work of morale promotion is not a new development in industry; it is only much more necessary than in handicraft days. Even in those days, the worker had to be encouraged to give the best value to the master, by applying his knowledge and skill to the making of the article which the employer hoped to sell to pay wages and make his profit.

But there is a vast difference in the attitudes then and now. At that time the worker knew for whom he made the article; why he was making it; how much the master would charge; how much the material cost; where it would come from; there was a full chance for him to show his workmanship; it was his product, and he was proud of it. It gave him complete satisfaction and a sense of pride, his morale was high. In the factory of today the worker produces only a fraction of an article. He sees neither the preceding nor the subsequent processes of manufacture. The product is not his; he does not know the consumer; and it is only by chance that he might see the product rendering its service in use.

He does not know who the proprietors are, behind the mask of the company; and he is likely to know but few of the executives. He is seldom told what the company's policies are; and more seldom yet what its financial condition is, although his risk, in case of failure of the

company, is much greater than that of the shareholders. For him the modern process turns chiefly upon two bearings – arbitrary authority and wages. There is hardly any interest in accomplishment and resultant satisfaction which should impel him to work with a will.

Man, by nature, is co-operative, but modern industry has contrived a situation in which friction is chronic. This may, in part, be ascribed to the fact that the existing industrial organisation has shattered the personal bond between workers and employers. "The incentive to work, that is, willingness of the worker to increase or even maintain output at lowest cost," says Professor Sargent Florence, "is checked at the outset as soon as he finds himself divided off as a mere employee, from ownership of the products of his labour."

As a general rule, it is true that the more a mere employee loses personal contact with the ownership the more indifferent he will become to the efficiency of the industrial organisation and the more he will stick to habits, customs and conventions. The employee's sense of fraternity and social equality with his employer and the sense of his own dignity and self-respect tend to be lost as the size of the firm enlarges; he identifies himself less and less with the interests of the firm. In a large firm, the feeling of 'being in the same boat' is lost, and the ordinary employee can no longer regard his non-interests in the business as identical with his employer's.

The incentive of identification of oneself with the firm is absent. Red-tape and bureaucracy undermine esprit de corps, and low morale supervenes. As a general rule, it is true that the more a mere employee loses personal contact with the ownership the more indifferent he will become to the efficiency of the industrial organisation and the more he will stick to habits, customs and conventions. The employee's sense of fraternity and social equality with his employer and the sense of his own dignity and self-respect tend to be lost as the size of the firm enlarges; he identifies himself less and less with the interests of the firm.

In a large firm, the feeling of 'being in the same boat' is lost, and the ordinary employee can no longer regard his non-interests in the business as identical with his employer's. The

incentive of identification of oneself with the firm is absent. Red-tape and bureaucracy undermine esprit de corps, and low morale supervenes.

The process of depersonalisation is usually complete in an organisation employing 1,000 workers; and management's responsibility for the eradication of psychological interest or for the promotion of morale becomes fundamentally great.

It was also hoped that investment consultants would benefit specifically in advising their firm whether the employees' performance aspects are addressed in the mergers and acquisitions and the appropriate type of merging. On the other hand management consultants would benefit from the study findings hence equip them with the relevant advice for already merged firms on how to structure their management in order to enhance employee performance. This information is critical to ensure success of the merger company if not it may perform poorly.

The Personnel Manager faces the problem of discovering factors which contribute towards a happy and successful organisation The process of depersonalisation is usually complete in an organisation employing 1,000 workers; and management's responsibility for the eradication of psychological interest or for the promotion of morale becomes fundamentally great. The Personnel Manager faces the problem of discovering factors which contribute towards a happy and successful organization.

After the implementation of reform measures, there have been large changes in the philosophy, perceptions, and functioning of commercial banks and banks are expected to manage the large inflows and outflows of financial Resources. Thus, the analysis of performance is required to understand the position of the bank. The attitude of employees and customers is also relevant as their attitude can directly impact the prospects of the bank. In order to Understand the impact of merging of banks; it is important to study it from the perspective of customers and employees.

Statement of the problem:-

Change is an act or process through which something becomes different. Any change, even the change for the better, is always accompanied by discomfort. Undergoing change is often difficult for the employees, especially if they were not directly involved in decisions that impact their jobs. In the course of merger and acquisition, change can be difficult and can lead to pressure which can have a negative impact on employees morale if not operated effectively.

When two or more organizations come together, culture clash is inevitable. Rarely do two organizations have the same culture. As these groups get to know each other there will inevitably be conflict and perceived or real losses on both sides, says Pophal. Employees may fear losing their jobs or losing opportunities that they formerly had. This fear can negatively impact productivity and may even result in employees leaving the company to seek jobs elsewhere.

Communication is censorious during this time. Communication is an essential instrument which helps the organisation to be prepared for the upcoming battles which needs to be tackled with grace. The organisation should strive to share as much information as about what is happening and, most importantly, how the change is going to affect the Individual Employees and the organisation as they possibly can.

Pritchett warns that the costs of ineffective mergers will be realized in lost talent, lost productivity, and loss of competitive position as a result of distracted employees. Bibler identifies two major human problems that can occur in acquisitions (a) the loss of key people and (b) the loss of organizational effectiveness. Bueno and 2 Bowditch address the hidden costs of combining organizations that include tardiness, absenteeism, turnover, reduced output, declining morale, loyalty, commitment, and trust of those who remain in the post combination firm. Separation costs, replacement costs, training costs for each replacement worker, and the costs involved with a high level of turnover are included in Bueno and Bowditch discussion of these hidden cost factors. Many authors view mergers, acquisitions,

and joint ventures as a negative event, particularly for the organization that is not the acquiring firm.

Caywood and Ewing view mergers as a threat, one where communications play a key role in preventing this threat in the first place. Gussow describes the acquired organization as one that is swallowed by the acquiring firm and potentially destroyed. Gottlieb and Conkling describe their book as a resource for those they call the "survivors" in today's organizations, the people who are left after the rest have gone. Grove suggests that acquisitions are done by companies as a diversion tactic, something they plunge into to avoid dealing with major changes their company is facing. In contrast, Nahavandi and Malekzadeh believe that what is needed for 1990s and beyond is to rediscover mergers as a strategic alliance and as a partnership, rather than as a war.

Different organisations have different cultures, work ethics and strategies. When two or more organisations come together, culture clash is inevitable. There are very rare instances where two organisations have the same work ethics or culture. As these groups come together and know each other there will inevitably be conflicts and at times perceived or real losses on both sides.

There will always be uncertainty in the surrounding. Employees may fear losing an opportunity or job that they formally had. This fear can negatively impact the productivity of the employee and may even result in employees leaving the organisation in search of new job opportunities. It is essential for the organisation and managers and human resource staff to acknowledge this and provide opportunities to the employees to get to know each other and to openly address the concern. This will help the organisation to create a new culture that will bring the best of both worlds.

When the employees are concerned about their job security they are more likely to have insecurities which can hamper the working of the organisation. On the other hand the employees can become more competitive which will lead to more conflicts and can sometimes lead to violence. During merger and acquisition of an organisation the managers and the

human resource staff need to be alert of the negative signs of competition. The human resource professional needs to ensure that the employees are well informed about the impact of the same on their jobs and their futures with the company. As rightly said competition is good but it also has an adverse effect if it creates conflicts and tension in the organisation.

Merger and acquisition are failing to satisfy their objectives. Within the last decade, Mergers and Acquisitions has become a worldwide growth story, despite the high risks involved, a recent study showed that around 85% of the consolidations have failed. It's been determined that almost all cases of failures are because of sheer negligence of employees; many efficient workers have quit the organizations because of the MERGERS AND ACQUISITIONS. Despite a calculated strategy, mergers and acquisitions have found to be a failure, and the main reason for the failure is the challenges visage in managing employees' problems.

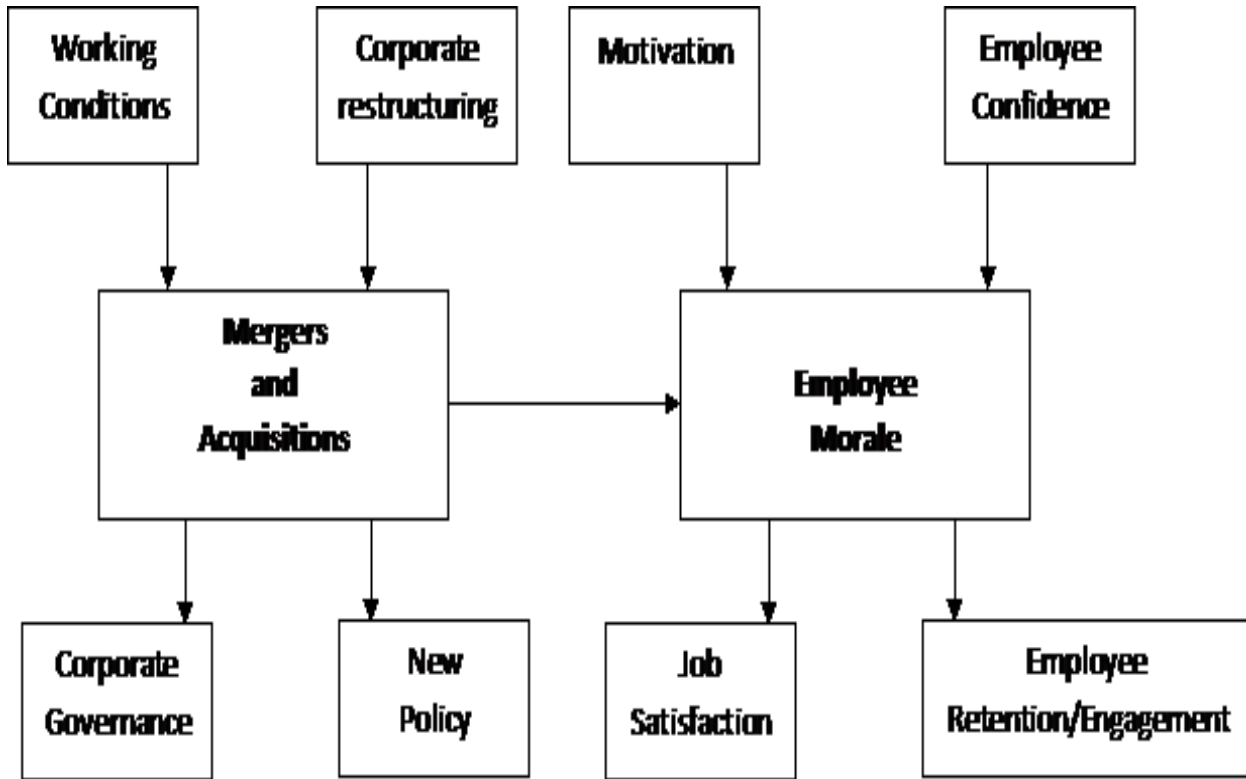
Limitation of study:

Considering the pandemic situation around the country it was quite a task to work on this study in detail . The expenses on transportation are so enormous because on many occasions the researcher was not attended to and would have to leave without the information required. Another constraint faced by the researcher was limited time for the completion of the project and engagement in other academic activities which occupied most of the researcher's time. The research was faced with some restrictions in the area of the case study; this is due to bureaucratic reasons in the administrative procedures in the Organization. It was not possible to get all the necessary information that would have helped in finishing the work on stipulated time. The process of going through some records to get data was a very tedious and formidable task as some materials needed are tagged "ESOTERIC".

The respondents approached were likely to be reluctant in giving information fearing that the information sought would be used to intimidate them or print a negative image about them or the Bank. The study handled the problem by carrying an introduction letter from the University

and assuring them that the information they give would be treated confidentially and it would be used purely for academic purposes.

Conceptual framework:-



Research Questions :-

My research questions are:

1. What major events or activities during the post-merger period triggered significant emotional responses from the selected employees?

2. What impact did the merger have on the selected employees' perceptions of organizational culture?
 3. What was the impact of the merger on the selected employees' professional and personal lives?
 4. Where did the selected employees go for merger-related information and support during the post-implementation period?
 5. What recommendations would these employees provide to leaders of an organization contemplating a merger?
 6. What is the role of job security on the performance of employees working in Union Bank of India?
 7. What is the relationship of chain of command and the performance of employees working in Union Bank of India?
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Chapter Three :-

Literature Review:-

In this chapter, an endeavor has been made to provide an overview of various aspects and issues related to this research work through the review of studies already carried out by

considering various aspects of employees morale in different branches of mira road. The review of literature can lead to draw some significant conclusions and serve as a guide mark for this study. It also gives a fair chance to identify one gap that exists in the area of research. Some of the important studies have been reviewed under different performance measures such as efficiency, productivity, profitability and service quality.

Mergers and acquisitions are increasing in the world as organizations try to expand their operations and increase their competitive advantage. Despite optimistic expectations, mergers and acquisitions frequently fail or succeed, in part because of the little attention given on the project planning and management part of it and the great neglect of human resource issues, which are rarely considered until serious problems arise. This is against the conception that the success of any merger or acquisition is as much about people and culture as it is about the financials. As such, organizations that recognize the link between people and performance make it their business to understand how to shape employee behavior during and after the mergers. However, there has been some attention in the management and finance literature devoted to assessing the consequences of mergers and acquisitions, while there has been little analysis of the effects of such events on employees. Much of the empirical work on this topic of mergers and acquisitions has been based on non-representative samples of corporate control changes and companies.

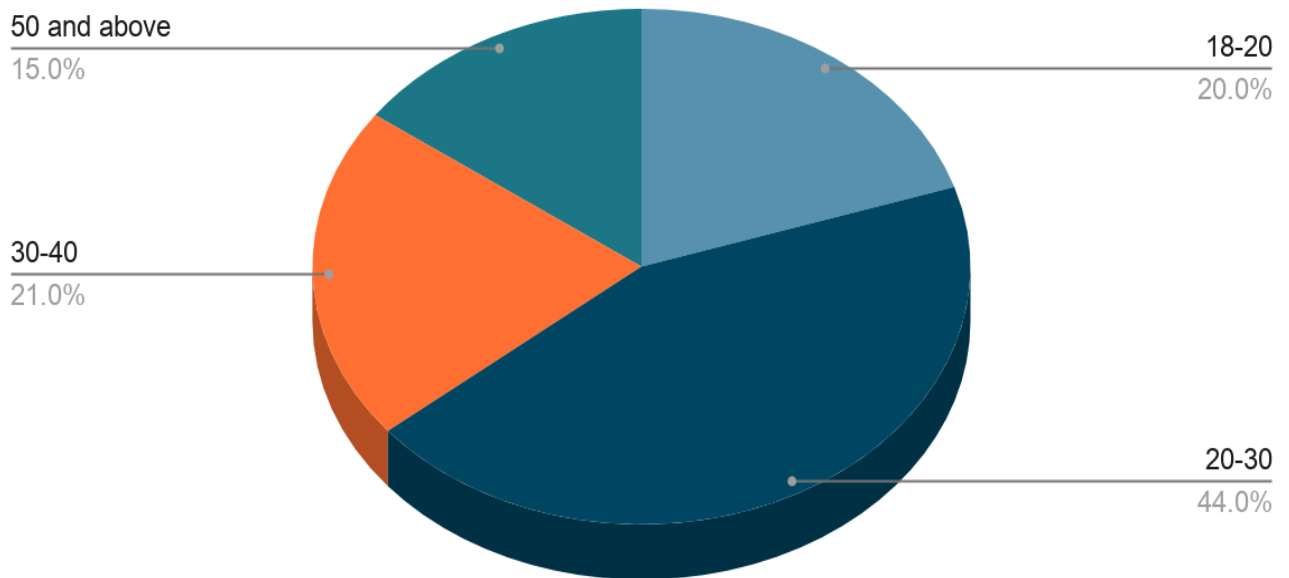
Much is written about the multiple responses to changes in the workplace. Workplace psychology studies that show employee anxiety during a merger can stem from psychological shocks created by the merger. Change can be stressful to some people and may generate fear. While some individuals thrive on this fear and uncertainty, others could be paralyzed

Chapter Four:

Data analysis:-

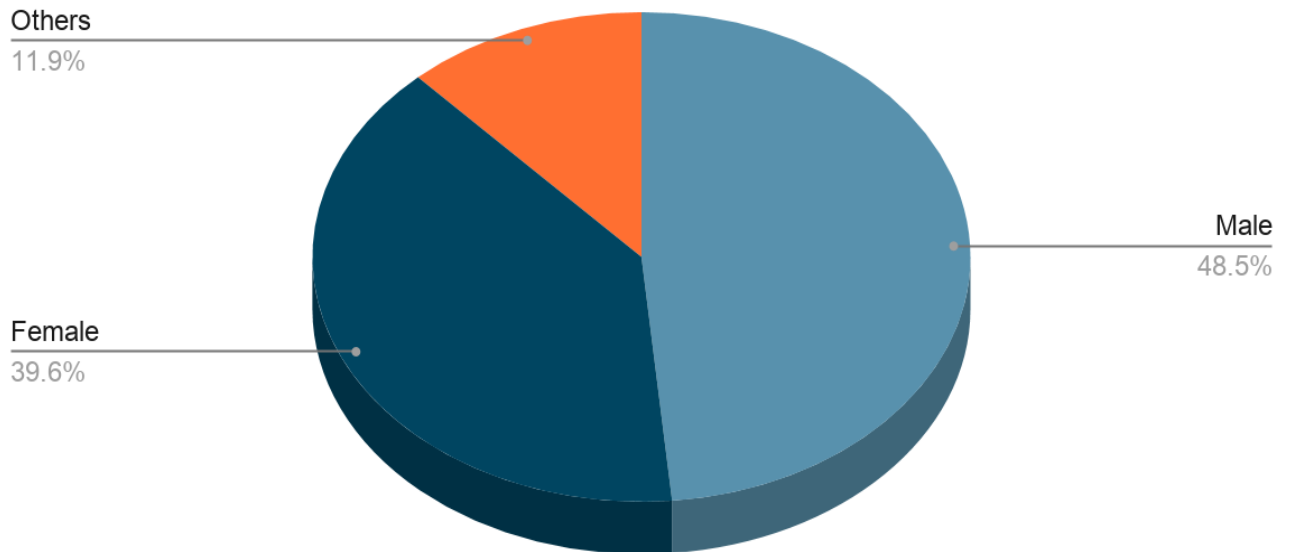
The results of this research are based on findings obtained from the employees of Union bank of India, Mira road branch. The employees were asked a set of questions based on theories of motivation and change management as discussed in the literature review. The survey began with a few biographical questions i.e. age and gender. These were followed by questions regarding work satisfaction and motivation during a change. The survey was sent out to forty three employees of Mira Road branch, and a total of forty three responses were collected.

AGE



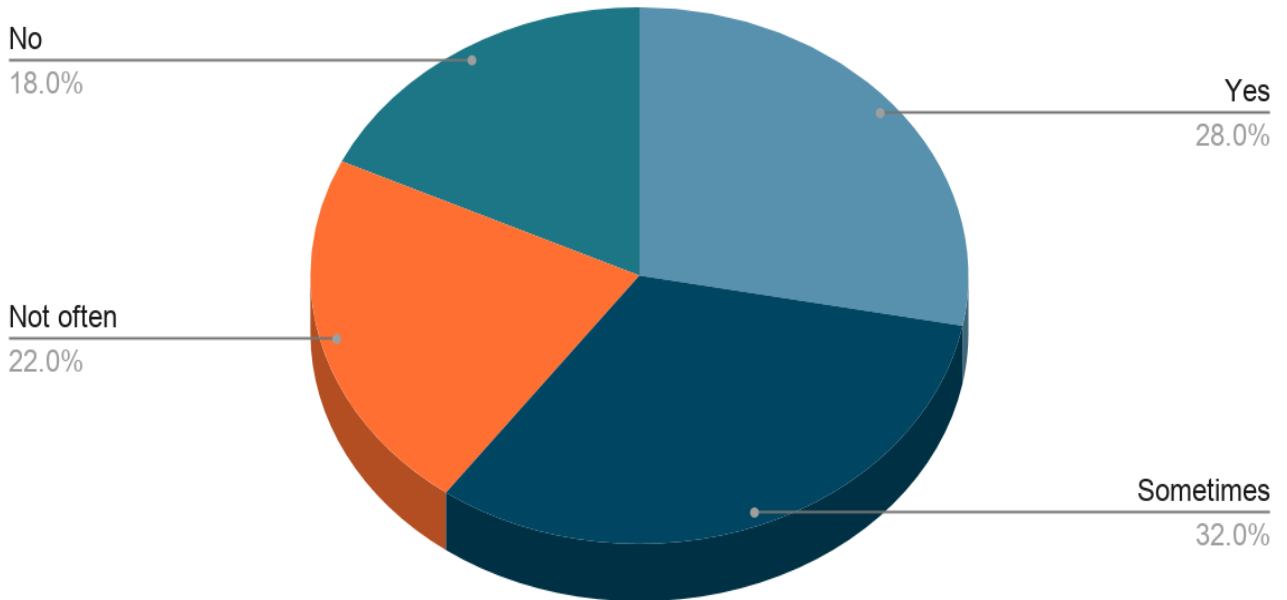
From the above figure , it can be ascertained that 20% of the respondents are between 18-20 years old, 44% of the respondents are aged between 20-30, 21% of the respondents are between 30-40 years old and 15% of the respondents are between 50 and above. A further 10% of the respondents are between 18-24 years old. This shows that the major age group affected by the mergers is between 20 and 30 years of age.

GENDER



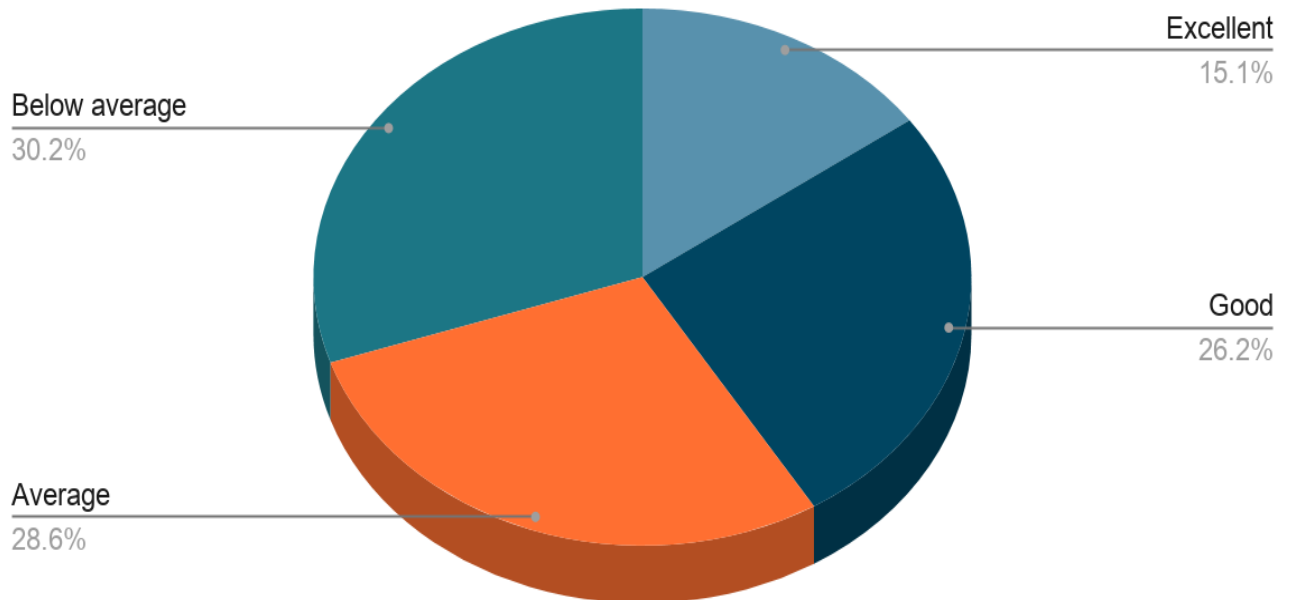
The above figures indicate that 48.5% of the respondents were male, 39.6% of the respondents were female and 11.9% of the respondents were others. Most affected are men as they represent the largest number of employees across the section. In the event of demotivation of employees, the majority of the employees have the potential of affecting productivity.

Do you feel you get recognition for your job?



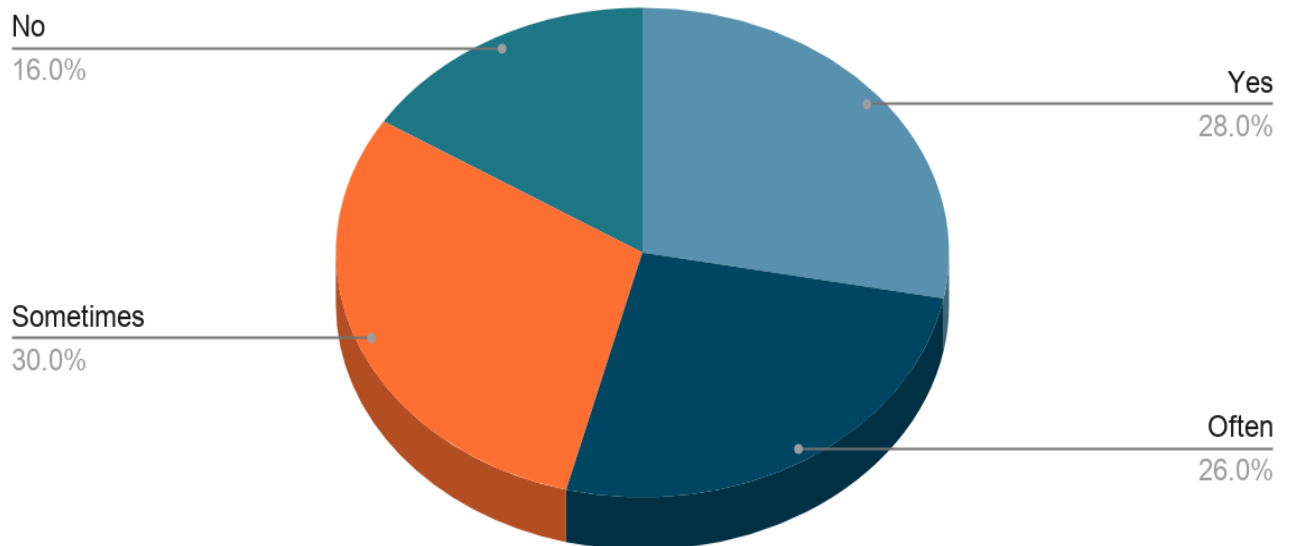
The above pie chart indicates 28% of the employees marked Yes as an option for getting recognition for the work they carry out in the organisation, 32% marked Sometimes, 22% as Not often and 18% as No. Majority of the employees in the organisation have selected Sometimes as getting an recognition of the work they perform.

How you perceive the morale in the company?



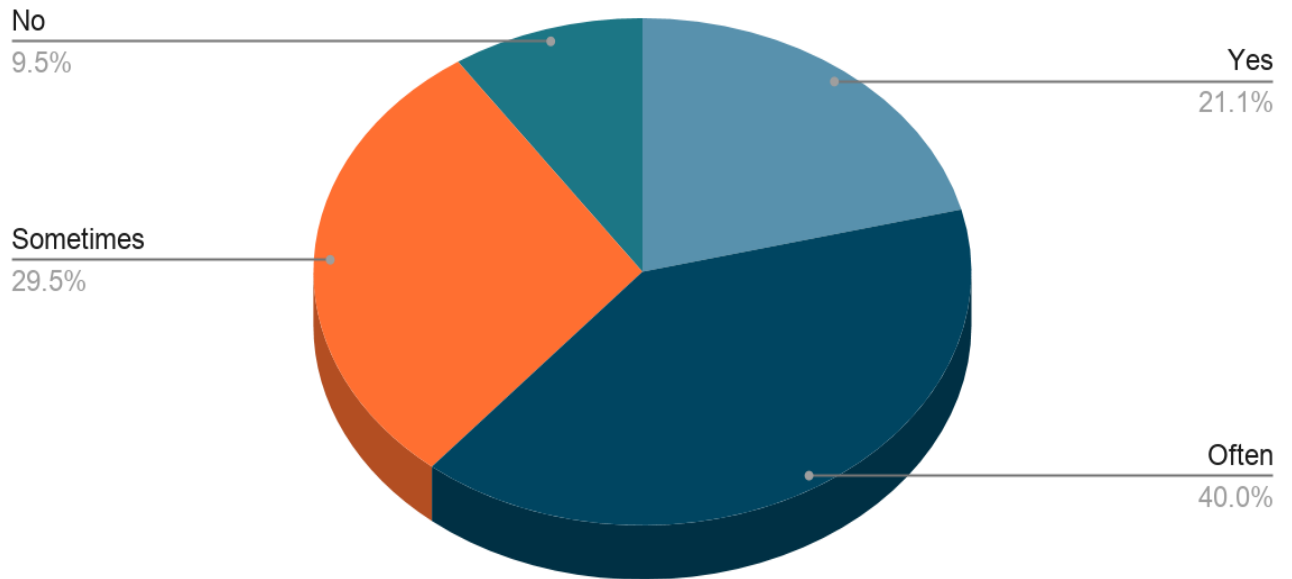
The above pie chart indicates how the employees of the organisation perceive morale in the workplace, wherein 15.1% of the employees said excellent, 26.2% as good, 28.6% as average, 30.2% as below average. Majority of the employees have opted for below average i.e.(30.2%) as an option.

Is stress in your workplace affecting your life outside the organization?



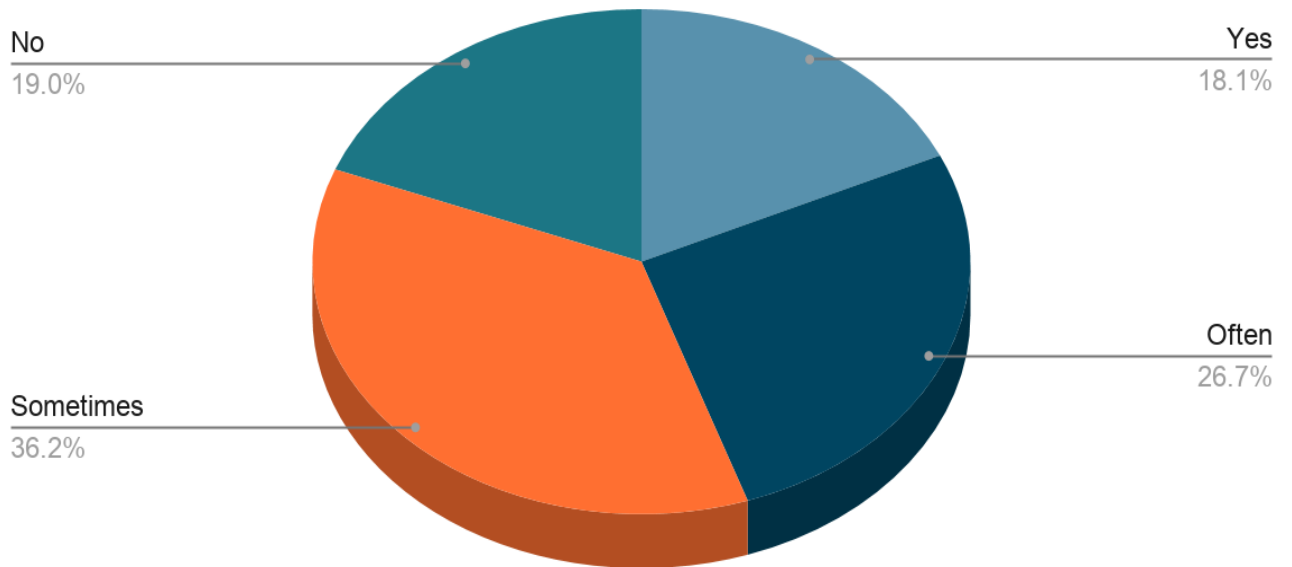
The above pie chart indicates the stress affecting the life of the employees outside the workplace wherein, 28% voted for yes, 26% voted often, 30% voted sometimes while 16% votes 16%. We can assume that there are employees whose personal life are getting affected by the workload given.

Able to manage your workload effectively?



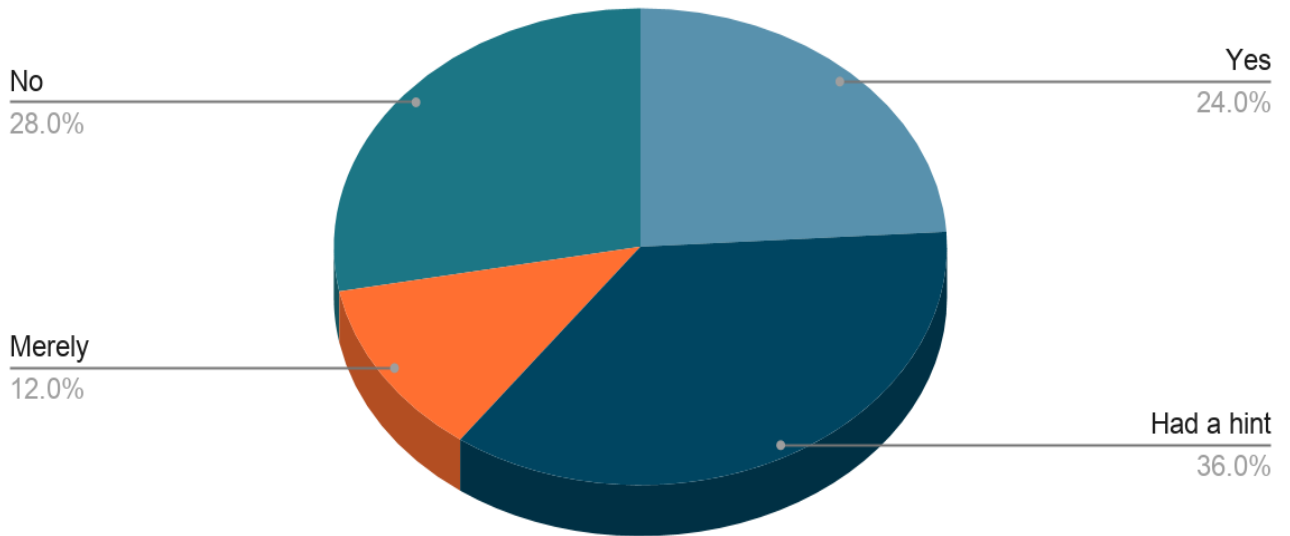
The above pie chart indicates are the employees able manage the workload effectively wherein, 21.1% marked yes, 40% marked no, 29.5% marked sometimes and 9.5% marked no as an answer. From the data we can assume that the employees are trying hard to work efficiently in the organisation.

Do you feel appreciated in your workplace?



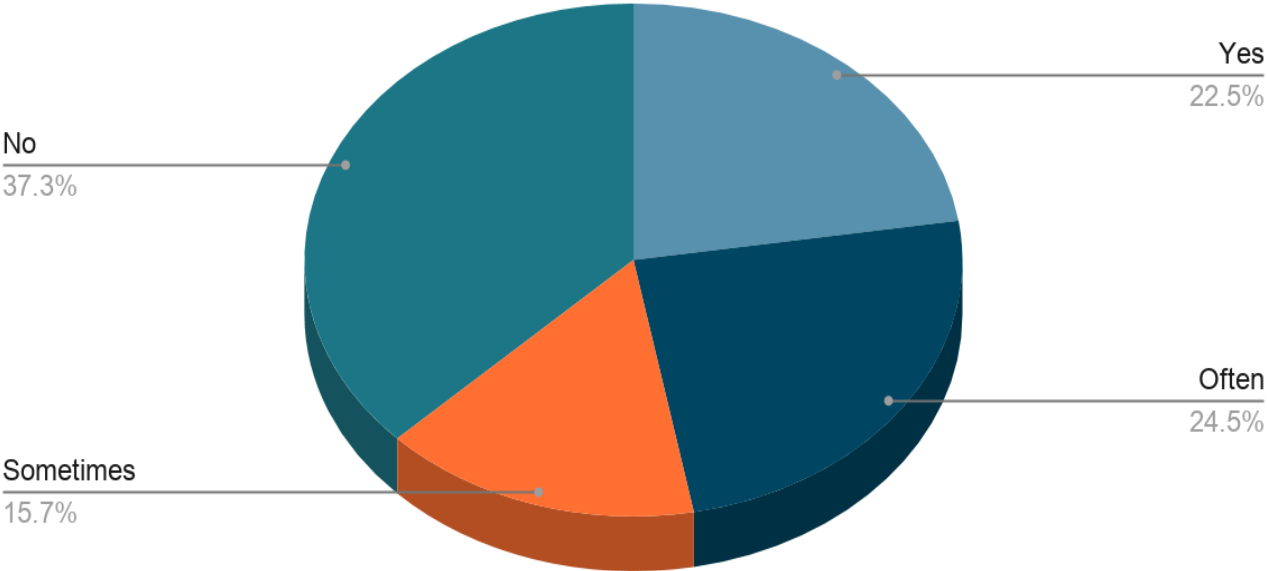
The above pie chart indicates do the employees feel appreciated in the workplace 18.1% marked yes, 26.7% marked no, 36.2% marked sometimes and 19% marked no. Majority of the employees feel they are not appreciated for the work they perform.

Were you prepared for the effect of merger in the organisation?



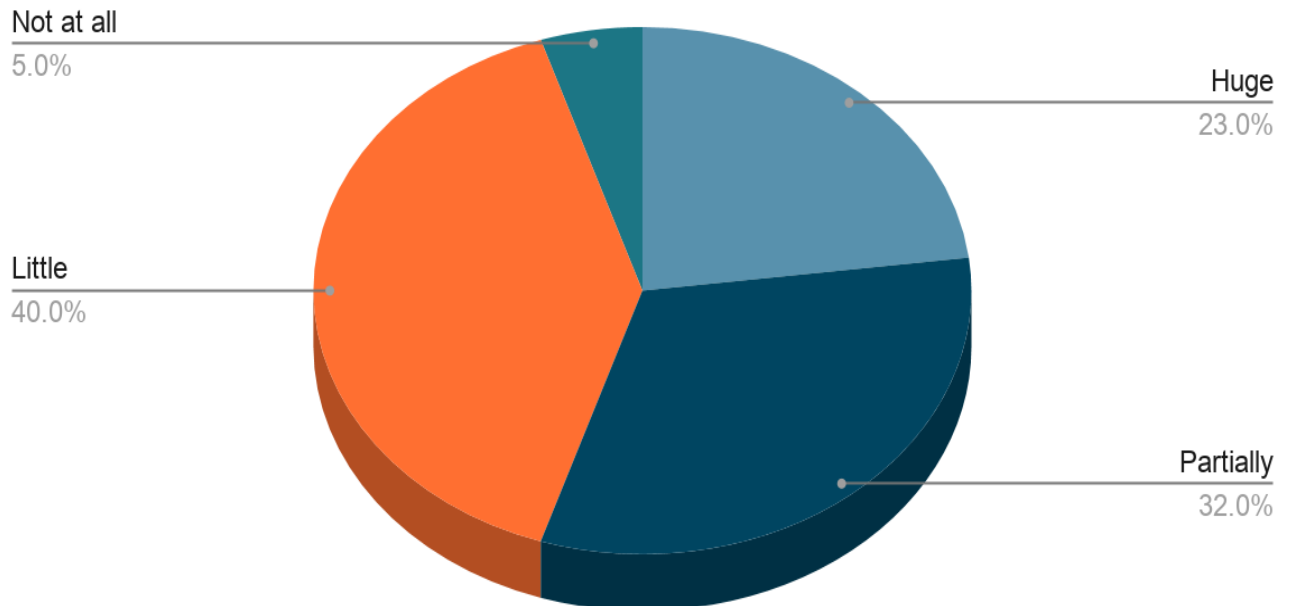
The above pie chart indicates whether the employees were prepared for the effect of merger and acquisition in the organisation wherein, 24% opted yes, 36% opted had a hint, 12% opted merely and 28% opted no as an answer. Not a large number of employees were ready for the effect of merger.

Organization cares about employees morale?



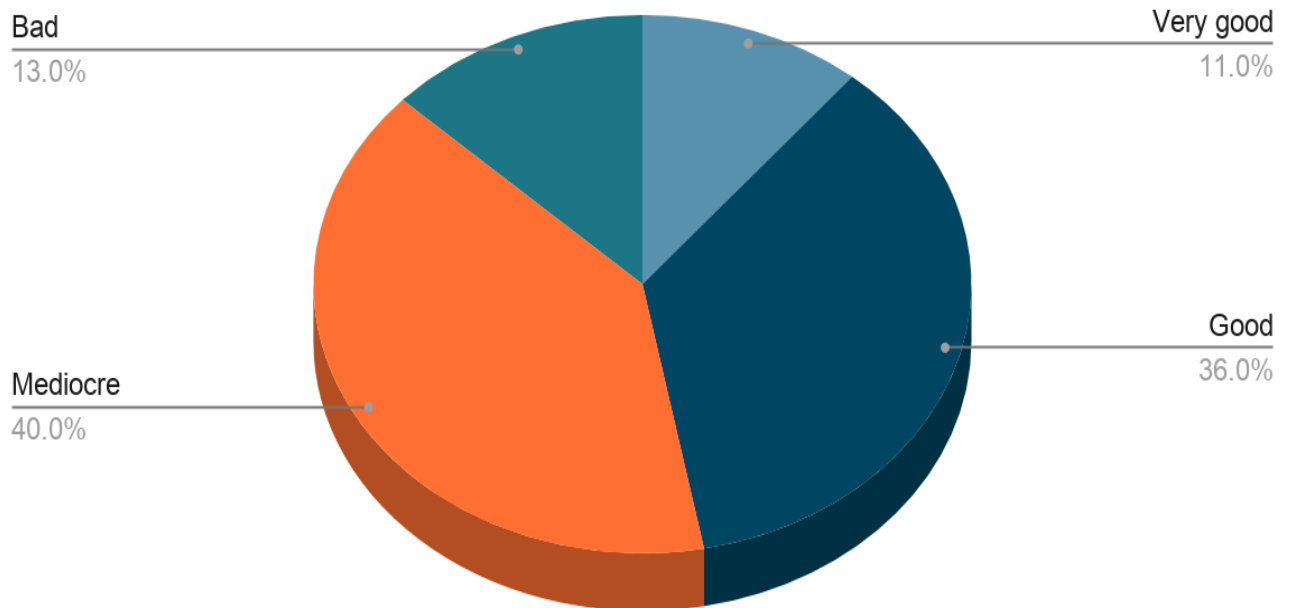
The above pie chart indicates how much the organisation cares about the employees morale wherein, 22.5% marked yes, 24.5% marked often, 15.7% marked sometimes and 37.3% marked no as the answer. There cannot be any clear distinction made from the above survey.

Impact of merger on one's personal life?



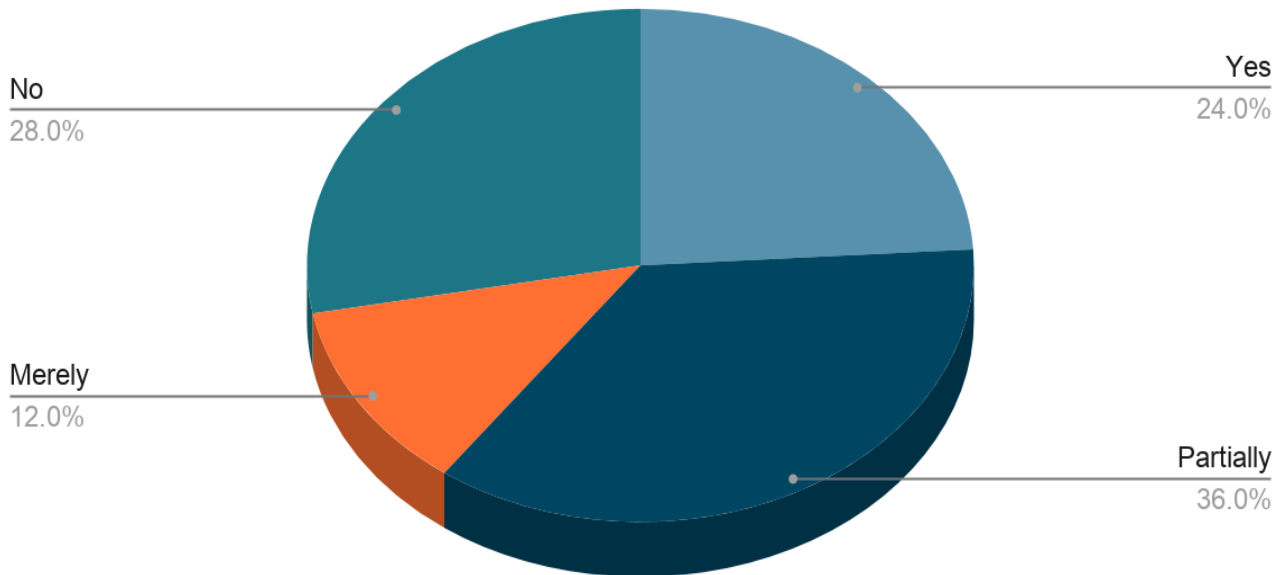
The above pie chart indicates how much impact the merger created on one's personal life where 23% marked huge, 32% marked partially, 40% marked little and 5% marked not at all as an answer. Although we can't say there was a huge impact on the personal life of the employees but can also not deny the fact that there was a little or partial impact for the same.

Your communication with top-level



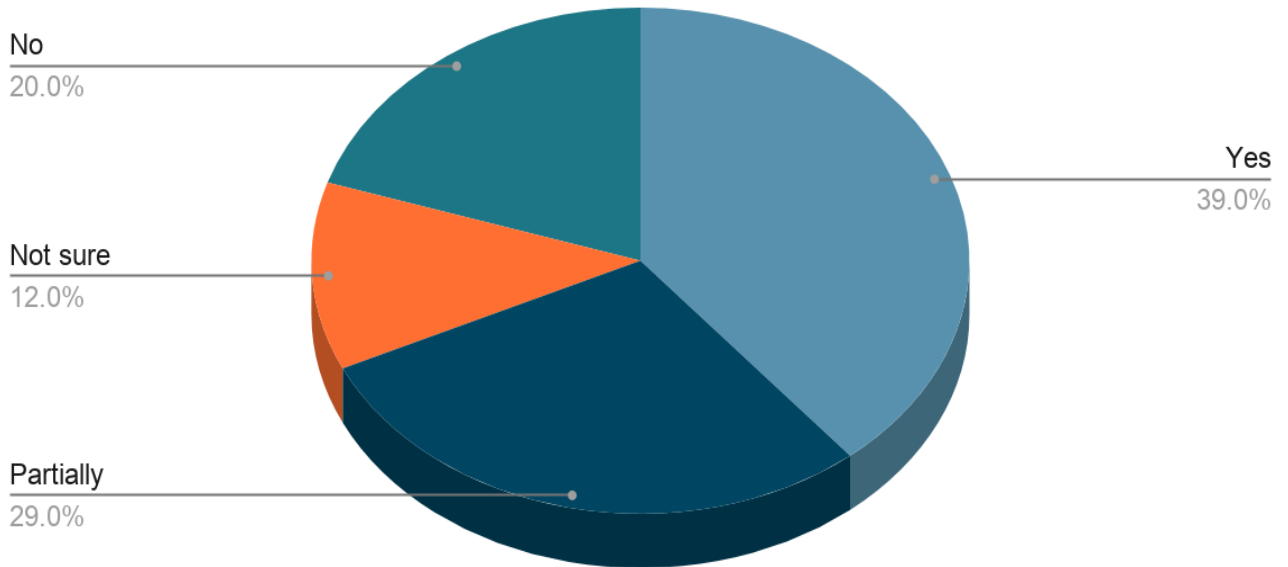
The above pie chart indicates how is the personal relationship of the employees with the top level management of the organisation where 11% had very good, 36% had good, 40% mediocre and 13% had bad. Having a good relationship with top level management is one of the crucial things in any organisation.

You feel the productivity of the employees have dropped?



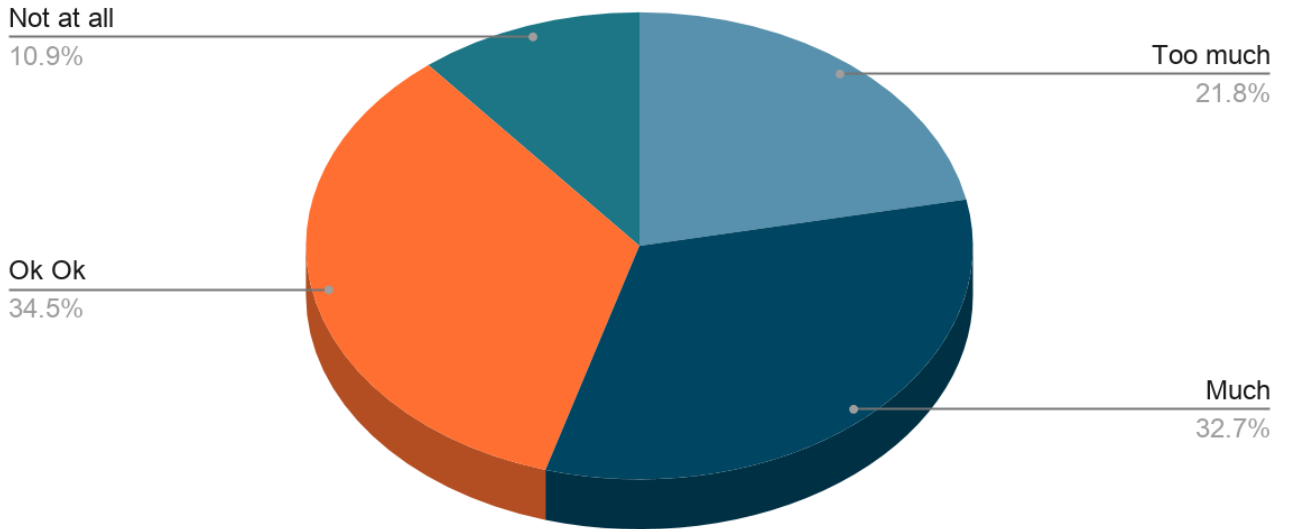
The above pie chart indicates do they feel the productivity of the employees have dropped wherein 24% of the employees said yes, 36% of the employees said partially, 12% of the employees said merely and 28% of the employees said no. As we can see the productivity of the employees has certainly dropped because of the merger and acquisition.

Are you satisfied with the steps taken?



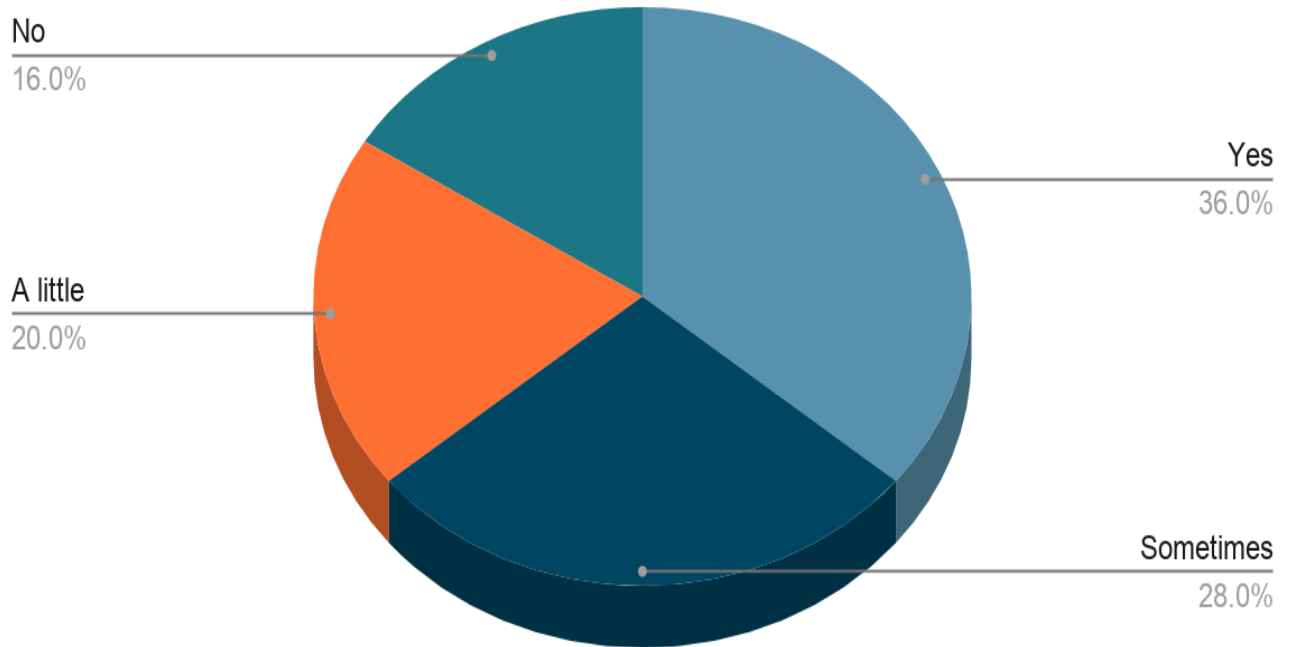
The above pie chart indicates the employees satisfied with the steps taken with respect to the merger and acquisition in the organisation wherein 39% of the employees said yes, 29% of the employees said partially, 12% of the employees said not sure, 20% of the employees said no. Satisfaction of the employees is an important factor for the organisation so the work is carried out in an efficient manner.

How much pressure is put on employees?



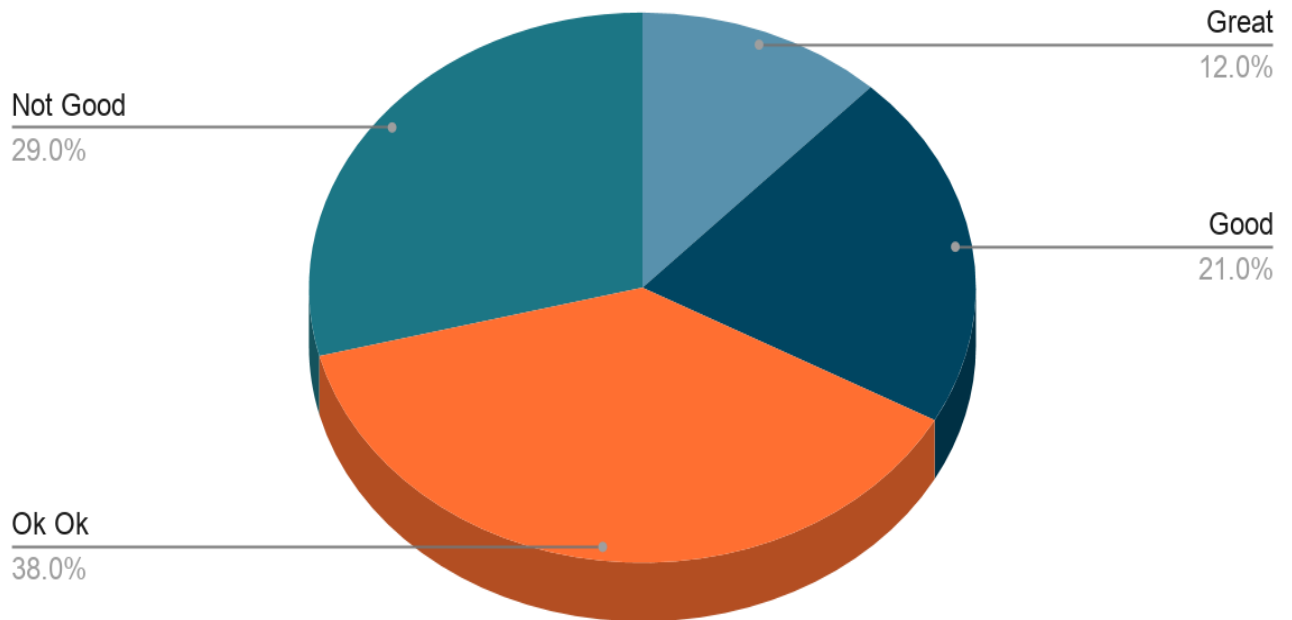
The above pie chart indicates how much pressure is put on to the employees of the organisation wherein 21.8% of the employees said too much, 32.7% of the employees said much, 34.5% of the employees said ok ok and 10.9% of the employees said not at all. When there is a lot of pressure on the shoulders of the employees the chances of the employees getting exhausted increases which leads to low productivity.

Do you fear the casualties of losing the job?



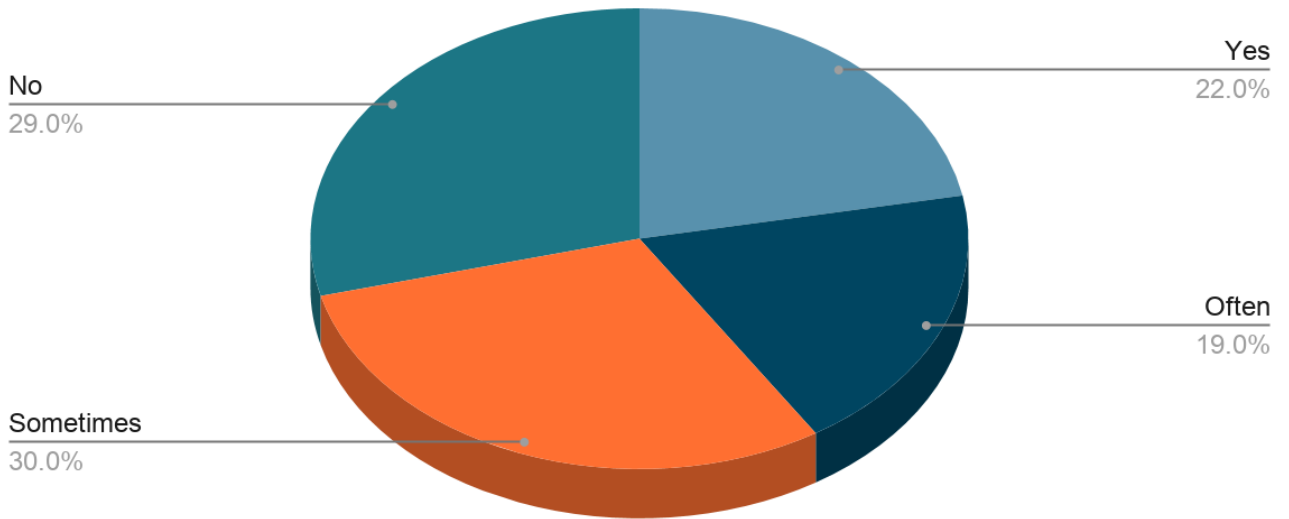
The above pie chart indicates do the employees fear the casualties of losing the job wherein 36% marked yes, 28% said sometimes, 20% said a little and 16% said no a an answer for the same. when we talk about merger and acquisition we always tend to think about downsizing so it won't be correct to contradict with them for the same.

How are you coping up with the workload?



The above pie chart indicates how the employees are coping up with the workload which is assigned to them wherein 12% of the employees said great, 21% of the employees said good, 38% of the employees said ok ok and 29% of the employees mentioned not good. When we talk about mergers there is often a workload that comes with it for the employees.

Is your opinion taken into consideration?



The above pie chart indicates the opinion of the employees taken into consideration in the organisation wherein 22% of the employees said yes, 19% of the employees said often, 30% of the employees said sometimes and 29% of the employees said no. when an organisation goes under changes they also need to consider the opinions of the employees as well.

Chapter Five :-

Conclusion :

The data analysis mentioned above for this case study displays literature that suggests mergers and acquisitions seriously impact the motivation, morale, and ultimate dedication of employees to the organization. If we take into consideration that any representative of other organizations that are part of merger initiatives, we should listen carefully to the words of these individuals, because they are representative of the outcome of other employees who will someday be participants in merger activities. The relationship of culture, leadership and communications are strongly integrated, as evidenced of the informants in this study. Communication appears to be a key factor in how employees respond to a merger.

From the first announcement of the merger throughout the entire post-merger process, it is apparent that organizations cannot over-communicate. On the other hand, those communications must always be honest and straightforward, timely and meaningful, and must focus on the information needs of the receivers. Most employees today are too smart and diligent to blindly accept traditional corporate word-spinning during the emotion-packed that accompanies mergers. However the messages will not always deliver the information the employees want to hear, it is apparent, from the secondary data in this study, that honesty and timeliness are valued and desired. In the absence of official, direct communication, employees will communicate their own information. Thus, this study reinforces the strength of the corporate grapevine.

It has been noted that mergers and acquisitions lead to talent loss. With a specific goal to start the mending process and to guarantee employees stay connected, management should plainly express a tangible vision and plan of action. The unknown side of mergers and acquisitions creates a sense of uncertainty amongst workers and produces disdain toward the organisation. The survey and interviews have both shown that generally mergers have

negatively affected morale. Low morale is guaranteed to arise out of job insecurity, changes in processes and management, a lack of direction, and poor communication. As the mindset of employees keeps on evolving, turnover remains an issue because of issues with organisational infrastructure, down-sizing, and changes in the organisation's hierarchical structure.

This post-merger study stresses the significance of including HR in the integration stage to address and deal with the two merging yet distinctive cultures and management styles, with an end goal to make the transition smoother. The criticality of leadership is evident throughout the post-merger period. Furthermore, there is a strong relationship between leadership and communications. While an organization may not be able to control the exodus of leaders when a merger occurs, it is apparent from the above mentioned data in this study that the leaders must demonstrate in their own behaviors what they speak to their employees. In the simplest of terms, leaders must walk their talk. Therefore, the communications must reflect what the leadership does and the leaders must represent what their messages are communicating to employees. The impact of merger activity on organizational culture is immense, as evidenced by the data responses.

The goal of this survey was to find out whether planned changes in the company had impacted workers' motivation and the reasons as to why workers were impacted in that way. This Survey aimed to give the organisation an opportunity to listen to its employees and their opinions on the way change should be handled and what may keep them motivated during constant change. Overall, the sample population of this research did not show high degrees of morale.

When looking at the weighted sections of the Survey, it was observed that the segment on job-related assertions had the highest level of confirmation, indicating that significant improvement is needed with regards to there being too little job variety and freedom for job input. It can be accepted that vague job responsibilities can prompt frustration and issues with management and can influence work execution and profitability. It Was additionally noticed that the section that identified with career support had the least level of confirmation, showing that change ought to concentrate principally on fair hiring

practices, improving on the guidance available from supervisors, improving on career development/promotion opportunities, and increasing employee satisfaction with their work responsibilities.

Mergers and Acquisitions is a widely used strategy by the companies throughout the world to strengthen their foothold in the market. Mergers and Acquisitions are considered as a relatively fast and efficient way to expand into new markets and incorporate new technologies. Majority of Mergers and Acquisitions Fails because of the negligence towards the Human Resource. Some failure can be explained and justified by financial and market factors. There is a need for firms to address a variety of human resource issues, activities, and challenges . Mergers and Acquisitions helps an organization to provide sustainable competitive advantage, but, such events create severe personal trauma and stress which can result in psychological, behavioral, health, performance, and survival problems for both the individuals and companies.

The organization selected for this study certainly had a strong culture, one that had deep roots in the hearts and minds of the selected branches. The stronger the organizational culture and the sense of pride employees have in that culture increase the difficulty of achieving a smooth transition during a merger.

Based upon this study, care should be taken in simply assuming that two organizations have similar cultures. Leaders should avoid underestimating the impact that a merger will have on organizational culture. Because the relationship of leaders and culture is strong, organizations must pay particular attention to the impact on culture when leaders exit an organization. This study also supports other research that suggests that a merger has a profound impact on the personal and professional lives of employees.

While organizations can expect some decline in employee productivity and motivation, care should be taken to minimize these negative effects. It was not apparent in this study that many official support mechanisms were made available to employees. But equally important, it was not apparent, judging from the employees' responses, that they would have availed

themselves of that support even if it did exist. That, however, may be linked to the sense of distrust that existed among the employees, which may have been affected by the communications approaches used during the various phases of the merger. In this case, there appears to be strong relationships for those couples, which provided a sense of comfort and security for the employees. There was little difference in how these factors impacted employees' responses to the areas related to communications, leadership, productivity, and social support.

The strongest relationship appeared with years of service and reactions to changes in organizational culture. The participants with the greater years of employment with Agrow expressed stronger negative reactions to the merger activities than those with fewer years of employment. It is apparent from this study that employees may have recommendations for improving the merger process.

The data shared many constructive ideas and possibilities, even when they were not necessarily in favor of the merger in the first place. While the accuracy of their forecasts for the future remains to be seen, their recommendations for how organizations can improve the overall merger process should be given careful consideration. The goal, then, for organizations should be to help employees gain their own personal control over their fears and emotions. Cooper reminds us that research reveals the stronger one's perceived generalized control, the less likely an individual is to appraise a specific situation as harming or threatening. This reinforces Ingalls belief that human energy must be directed toward constructive and creative ends.

I continue to be intrigued by the merger processes, activities, discussions, and range of emotions that surround such a significant and frequent business event I have long been an advocate and champion of building proactive, ongoing communications and change initiatives into corporate planning. Certainly an event of this magnitude can benefit from increased attention to people-related issues. I believe that more can, and should, be done to communicate and work with employees during the acquisition process, which in turn should have a significant positive impact on the newly-merged organization. My review of the existing

literature uncovered a significant amount of numbers, statistics, and facts about mergers and acquisitions.

What I found lacking from this body of research was the personal side of the merger story—the words, the feelings, and the emotions as described by those individuals experiencing the impact of such a significant event. It was my intent to contribute another perspective to the body of research that already exists to support the facts and statistics with the true stories of the employees of an acquired organization. These stories personalize what might otherwise be viewed as nothing more than the cost of doing business. It is my hope that this study can help leaders of mergers better understand the significance of the event upon employees and that they will use that awareness to address the human components more frequently in their overall merger strategies and plans.

Levinson states a compelling argument for increasing attention to organizational development concerns related to mergers, suggesting the impact goes beyond the involved corporations. He suggests, "If contemporary modes of merger result in widespread loss of initiative, increased constriction of imagination, and floating populations of executives, this has not only self-defeating implications for organizations, but also has powerful negative effects on society". Mergers will continue at an ever-increasing pace. Employees can provide valuable insight to an organization's leaders into how these mergers can return greater value, more quickly, by paying greater attention to the emotional needs of its employees throughout the merger process. As Samuels states, Profits are not produced by machinery, buildings, or products. It is people that give life to these otherwise dormant assets. The key to the success of a merger turns out to be the people involved, the amount of thought and planning that has gone into the merger, and the ability of the people involved, It is my hope that this study will reinforce the need for greater attention to the human factors that are an integral part of a merger's ultimate success or failure.

Chapter Six :-

Suggestion :

Given the ever-increasing numbers of mergers today and the impact of these mergers on the workforce and the economy, the subject certainly merits increased attention, and the availability of organizations and individuals for further research in this area is wide and diverse. As a result of this study, there are many other ways to further analyze the impact of mergers on employees. Any one of the focus areas of this study, such as informal or formal communications, leadership exodus and employee loyalty, or coping strategies and social support could become a separate subject for in-depth research and review. The leaders of mergers must not focus on productivity to the extent that they do so at the expense of the employee.

Change management principles must be applied to align employees to productivity. Leaders should endeavour to create a more culturally diverse environment that facilitates a more cohesive interaction between the managers and their workers and define a more strategic vision that encompasses evolutionary offerings towards future technologies rather than bringing the future in today. One possible approach would be to select several individuals and follow their reactions and responses to change from the first day of the merger announcement through a two- to three-year post-merger period. A number of different change models, such as the change curve presented by Gilley, Quatre, Hoekstra, Whittle, and Maycunich, could serve as a reference model from which to track the change journey of one or more employees over time. Patterns of employee thoughts and behavior could be plotted over time in the four major stages of change presented in their change curve model: denial, resistance, exploration, and commitment. Because some change in leadership always accompanies mergers, a qualitative study could focus on interviews of leaders who stay and leaders who leave and what their motivations and responses are to the merger.

Mergers must incorporate the cultural elements of change management within the new establishment to ensure that the human elements of these mergers are catered for. In the merger discussed in this study, for example, team building workshops, seminars, and even courses should have been facilitated so that the manager could get a better understanding of his team's capabilities and so that the team of employees could have had the opportunity to better understand their manager. Both parties in the merger need to work together to drive and maintain the business that they currently have, so as not to create doubts in the minds of their customers. This will help the new establishment to realise its strategic objectives. Managers of mergers ought to be aware of these impacts and work with their employees so as to minimise the exodus of employees.

Likewise, a study could be done looking solely at the impacts of changing leadership based upon employees' perceptions of those leaders' qualities and styles. Additional study could focus on the types of social support employees use for their coping strategies and the effectiveness of various strategies in helping employees respond more positively to merger activity. Participants who are married identified their spouses as primary sources of support during the merger.

The leaders of mergers must not focus on productivity to the extent that they do so at the expense of the employee. Change management principles must be applied to align employees to productivity. Leaders should endeavour to create a more culturally diverse environment that facilitates a more cohesive interaction between the managers and their workers and define a more strategic vision that encompasses evolutionary offerings towards future technologies rather than bringing the future in today.

The question arises, then, where do employees who do not have that strong personal relationship with a significant other go for their emotional support? This study only represents the merger impact on employees in the union bank of india, mira road. It would seem logical that the acquiring organization would also realize the impact on its culture every time it acquires another organization. What are the similarities and differences of the impacts on the acquired and acquiring employees? I asked one question related to the impact of the merger

event on the participants' personal lives. The responses would indicate that there was little, if any, impact upon their lives outside of the workplace. This seems unusual, especially given the deep sense of organizational culture described by these same employees. Additional questions and research could attempt to further explore whether there really is little impact upon their personal lives, or if, in fact, the individuals have either not recognized those impacts or have not yet realized the full extent of those impacts.

The following recommendations are being suggested for firms to consider the method of Mergers and Acquisitions which is helpful in retaining the employees and thereby protecting the leading valuable assets that is the "Human Resource".

1. Develop a clear vision and business strategy of the merger throughout the method of cooperation, and have it prepared for communication across the two firms.
2. Create a replacement chart, and take up an in depth audit of the competencies of the staff to map their roles and responsibilities as aligned with the new chart.
3. Establish a sturdy communication system, to minimize the fears and anxiety amongst the employees.
4. Establish a purpose of contact for the staff to speak to and ask for clarifications to their queries. These employees should have easy accessibility to the Senior Management team to put their views.
5. Communicate to deliver clarity of the plans. If needed, external expert assistance can also be used.
6. Engage the employee in productive work and keep their motivation and commitment high.

Chapter Seven :-

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