Mental Health Outcomes in Public Bank & Private Bank Mergers: 3's (Stress, Stability, and Shifts)

Manju Bala, Navita Vats, Preeti Gugnani

Abstract

This research article aims to compare the effects of mergers involving public and private banks on the mental well-being of employees. Specifically, the study will examine the influence on stress levels, job stability, and changes in work responsibilities. The study will explore the differences in stress levels, stability, and transitions experienced by personnel in public and private sector banks following mergers. By using a comparative method, the research intends to reveal the subtle impacts of these mergers on the psychological well-being of personnel in both industries. To conduct a thorough investigation of the psychological impacts associated with mergers between public and private banks, this study will use established literature, empirical data, and case studies. The system will assess stress levels, employment stability, and changes in work dynamics to identify the distinct problems and opportunities presented by mergers in different sectors. The comparative analysis will explore the specific factors that cause stress and the strategies used to deal with them in mergers involving public and private banks. Additionally, it will examine the consequences of these mental health impacts on the welfare of employees, their productivity, and the dynamics inside organizations in both sectors.The conclusions of this research article aim to offer significant insights for policymakers, human resource professionals, and organizational leaders involved in public and private bank mergers. By understanding the varying effects of these mergers on mental well-being, those involved can formulate specific approaches to alleviate stress, improve stability, and promote seamless transitions during the post-merger integration phase. Overall, this study enhances our understanding of the impact of bank mergers on mental health, emphasizing the need to adopt industry-specific strategies to tackle the difficulties brought about by these transformative events.

Keywords: Mental health, Stress, Stability, Shifts, Public bank mergers, Private bank mergers, Comparative analysis.

JEL classification: I10, I19, M10

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Introduction

Mergers and acquisitions are crucial for financial institutions to adapt, expand, and gain a competitive edge in the volatile landscape (Ratna Manikyam, K., 2014).However, amidst the intense activity of financial restructuring and strategy realignment, the human aspect of these efforts is often neglected. It is important to remember that the people involved, including employees and customers, can be greatly impacted by these changes and should be considered in the decision-making process. This study focuses on the impact of public and private bank mergers on employee well-being, mental health, and stability, which are essential yet often overlooked aspects of these mergers. Mergers refer to the process of two companies coming together to form a single legal entity with the aim of achieving specific strategic goals, such as expanding their market share, reducing competition, or capitalizing on economies of scale and scope. While there is significant scholarly research in the fields of economics and finance on the reasons and effects of mergers and acquisitions (M&As), most of this research has focused on the financial factors driving M&As and their resulting outcomes for shareholders (Eckbo, 2014). (Smetanin et al., 2011), mental illness has a significant impact on individual well-being and the economy. It results in substantial expenses, accounting for up to 4% of GDP, due to direct health expenses and indirect costs such as reduced productivity, participation in the labor market, and early death. (Shukla Harish & Garg Rachita,2013) have conducted a study on stress management among the employees of nationalised banks in Indore, according to them main causes of stress overloaded, non-achievement of their target of work, family problem, the order of their boss by sacrificing their important home function.

Downsizings, rightsizings, mergers, and acquisitions not only affect the employee numbers in an organization but also radically affect factors such as management style, organizational culture, and employee commitment and performance (Dackert, I., 2003). When different entities merge, it often results in a challenging environment for workers due to stress, instability, and changes in organisational dynamics. The integration process can be difficult to navigate as employees face unfamiliar challenges. The coming together of different cultures, reorganizing of responsibilities and the possibility of job losses can trigger a range of emotions from unease to extreme sorrow (Selvakumar, A. X, (2015). Workplace stress is caused by a discrepancy between job demands, skills and abilities, and available resources and support systems. In this context, the focus is on the employee's response to the issue. The banking sector is experiencing increased stress among workers due to changes in work organization, digitization, and the global economic downturn.

M&As in the Indian Banking Industry

During the nationalization period (1960 to 1969), bank mergers in India were mainly driven by government policies, which aimed to merge weaker banks with stronger ones to address financial difficulties. After that, there was a lull in merger activity until the economy started the process of liberalization (see Table 1). "The Narasimhan Committee Reports (1991, 1998) provided the intellectual basis for bank mergers during the post-liberalization era. These reports recommended the consolidation of banks, both public and private, as well as financial institutions and NBFCs, to enhance their strength and competitiveness.

Table 1: Bank M&As in India

Period	**Number of Mergers**
Pre-nationalization of banks (1961-1968)	46
Nationalisation to Liberalisation period (1969-1996)	14
Post-Liberalisation period (1997-2022)	40
Total	100

Sources: RBI, 20022; and STRBI, various issues.

Between 1997 and 2022, a total of 40 bank amalgamations occurred. Out of these, 12 were mergers between private sector banks (PVBs) and public sector banks (PSBs), 16 were mergers within PSBs, and the remaining 12 were mergers between PVBs and overseas banks."

Consolidations in the banking sector can bring about a mix of excitement and concern among employees. The impact on mental health is significant as people adjust to changes in their roles, colleagues, and work environment.

Employees may experience increased stress due to concerns about potential job loss or restructuring. This uncertainty can manifest in various ways, from disruptions in sleep patterns to heightened anxiety about the future(Pandey, A., 2021).

Moreover, maintaining stability during a merger is crucial for the well-being of employees. Effective communication from leaders, access to resources for managing change, and the presence of support networks in the workplace are essential factors in reducing stress and promoting stability. A study by Nahar et al. (2013) looked into the relationship between government and non-government workers' mental health and job stress. 50 government employees and 50 non-government employees made up the study's sample of 100 workers. The General Health Questionnaire was used to gauge mental health, while Shrivastav's Occupational Stress Index was used to gauge work-related stress.

After a merger, employees may need to adapt to changes in procedures, reporting lines, and team dynamics within the organization. The transition period can have a considerable impact on mental well-being as individuals strive to adjust to a new environment.

Organizations undergoing mergers should prioritize the mental well-being of their employees by providing support systems and tools designed specifically to help them manage stress levels and maintain stability during workplace changes.

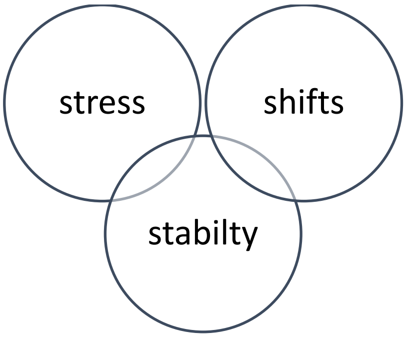

Fig. 1.1 Outcomes of bank merger

Definitions:

Stress is the negative response that individuals experience when they face excessive pressures or demands in their work environment (Xavior , 2015).

Causes of occupational stress:

- Escalating workload
- Limited promotional prospects
- Uncertainty regarding job stability
- Shifts in the overall atmosphere of the organization
- Strict time limits and objectives
- Insufficient independence in decision-making
- Repetitive nature of work tasks
- Excessive supervision and close scrutiny
- Unfair treatment or prejudice based on gender
- Insufficient training to adapt to technological advancements.

Stability

Stability is the state of being steadfast, secure, and resistant to change. It can involve physical, emotional, economic, and social components.

- Physical stability refers to a system's capacity to sustain equilibrium or withstand external influences.
- Emotional stability is the ability to maintain a steady emotional state and balance under pressure.
- Economic stability is characterized by consistent expansion, moderate inflation, and low unemployment.
- Social stability aims at preserving order, unity, and concord within a society or community, including political stability, societal cohesion, and the absence of violence or civil unrest.
- Shifts

“Shifts” can have various meanings based on the context.

- Change in position or location
- Alterations in direction or orientation
- Change in perspective or focus
- Changes in behavior or patterns over time
- Designated time period when employees are assigned to work, with different shift options based on the organization's needs.

Literature Review

Workplace health and safety measures ensure individuals' safety and welfare (Bhagawati, 2015).Chronic stress is defined by Oxington (2005) as stress that is not temporary and lasts for a longer duration. This type of stress can be due to ongoing health concerns, persisting issues, or financial hardships. On the other hand, acute stress is a response to immediate and brief danger, which can be either real or perceived (Kaur, J.,2024). It is evident from a case study on mergers by (Buono, 985) that there are significant challenges in combining two distinct but capable organisational cultures when looking at the organisational culture of two mutual savings banks or even within the same industry. A research study was carried out to investigate how the merger and acquisition process affected the job satisfaction of employees working in banks. The results showed significant differences in job satisfaction levels between employees of the bank that existed before the merger or acquisition and those who joined after it, as well as among officers and clerks who worked within the same bank (Priya, 2022).Zuhra Sadvakasova conducted a study in 2022 to investigate the psychological adjustment process of employees who were required to merge with another organization due to certain circumstances. The study specifically examined the self-perception of job satisfaction among bank employees who had worked continuously without any interruptions caused by organizational factors.In 2020, a study was conducted by Thiruchelvi Arunachalam to examine the impact of psychological contract breach and employee stress on job involvement and organizational citizenship behavior in the Indian banking sector, with a special emphasis on the State Bank of India.The banking industry is facing a significant level of work-related stress, which can have adverse effects on the emotional and physical well-being of employees, as per a study conducted by Gabriele in 2017. Paul Fourie also conducted research in 2013 to analyze the impact of stress levels related to change on job demands, job resources, affective states, psychological contract, job engagement, burnout, and counterproductive work behavior among employees of a retail bank. This study aimed to understand the relationship between these variables and their contribution to the development of job engagement and burnout-related behaviors among bank employees. In the case of restructuring, be it through merger or otherwise, a new form of employment relationship emerges where the psychological contract has an important place. The psychological contract should not be a hard and fast, unwritten contract but rather should be flexible to incorporate the changes brought about in the organisation (Rousseau, 2004).

Scope of the study

This study examines the effects of bank mergers on banking personnel. It aims to understand the experiences of personnel during mergers and identify their impact on mental health, stability, and work experiences. A comparative methodology is used to identify differences between public and private bank mergers. The study provides practical information to promote employee welfare, improve stability perceptions, and efficiently manage changes in the work environment.

Research Methodology

Objectives

1.To investigate the impact of bank mergers on employee mental health, focusing on the interplay between stress, stability, and role shifts.

2. Compare the experiences of employees from both public and private sector banks.

To achieve these objectives, a mixed-methods approach was employed. For the data collection 35 bank managers from the merged banks were approached. All respondents were managers of Merged banks (Head of the Branches). Respondents were selected on the basis of availability of time with them. Qualitative data was collected via focus groups and in-depth interviews with 35 staff members from both Public and Private banks using the convenient Sampling. The data collected helped to understand how employees managed stress, fluctuations in stability, and coping mechanisms during the merger procedures.

The research findings provided a comprehensive understanding of the mental health challenges experienced by employees and the potential factors that influence them. The study combined and analyzed both numerical and descriptive information to reveal the impact of bank mergers on the psychological well-being of employees.

Research Framework

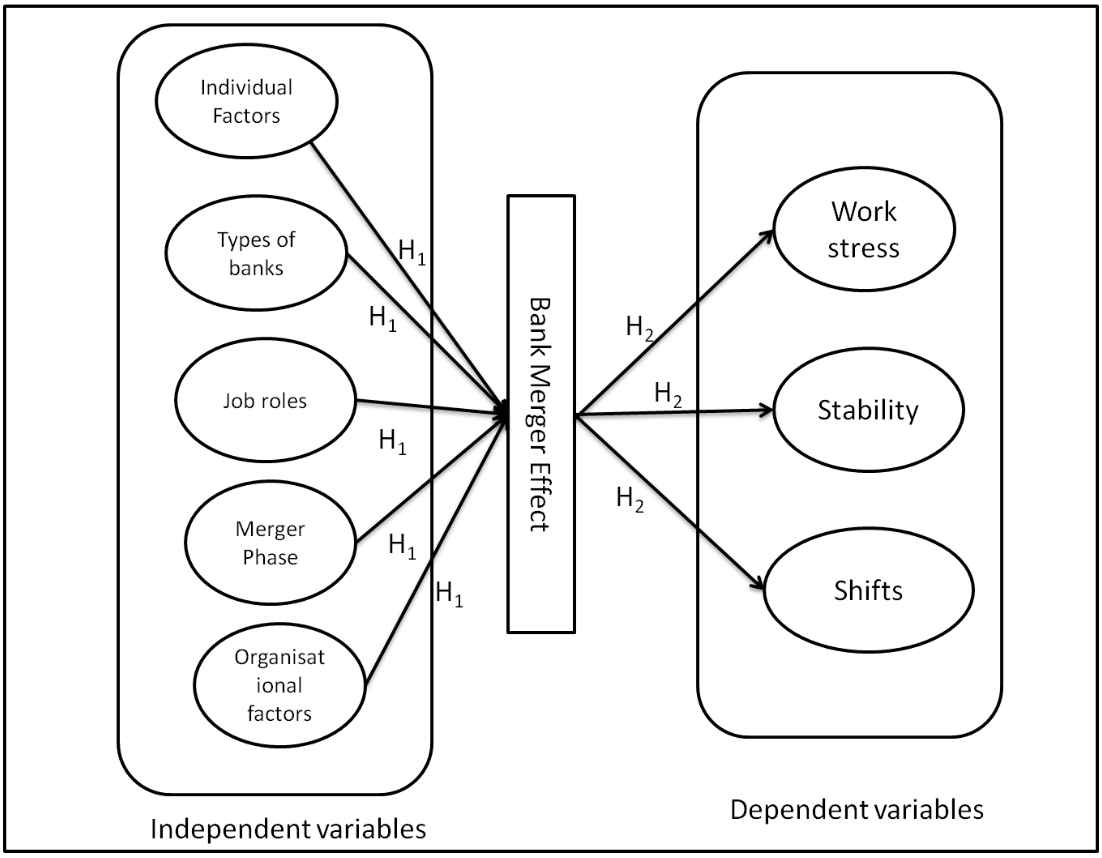

Fig. 1.2 (Research Framework)

Variables(shown in figure 1.2) that are influenced or affected by other variables can be observed in the indicators of mental health. These indicators include levels of stress, anxiety, symptoms of depression, and an individual's psychological well-being, which can be assessed by examining their stability perceptions. Additionally, job security as perceived by individuals (Dewan, 2014), and perceived organizational stability, which refers to the subjective perception of the level of stability within an organization, can also be considered. Optimism over the future prospects of the combined organization and a sense of steadiness in the work environment are also important factors.

Changes in work experiences can be observed through modifications in job positions and duties, alterations in the hierarchical arrangement of reporting and supervision, changes in work hours or schedules, and variations in workload or the level of job intensity. These factors can be manipulated or controlled by the researcher in an experiment.

These variables are hypothesized to influence the central element of the framework, (Figure 1.2) which is labeled the“Bank Merger Effect.” The effect thus acts as mediator linking independent variables to dependent variables that stand for the merger's outcomes. Dependent variables include work stress, job stability, and changes in shifts or responsibilities. The framework contains two sets of hypotheses.

H_1 indicates that the independent variables influence the Bank Merger Effect, and

H_2 indicates that the dependent variables are influenced by the Bank Merger Effect.

This framework provides a structured approach toward understanding how mergers in the banking sector affect employees and organizational dynamics and provides insights into how to manage such transitions effectively.In examining the influence of bank mergers on mental well-being, stability, and changes in work experience, several factors related to the organization and personal factors can be considered. These include the type of bank (public or private), the merger phase (before or after the merger), organizational culture, leadership effectiveness, and communication quality. Personal factors such as demographic variables, prior experience with mergers, job role, role clarity, and employment satisfaction should also be taken into account (Kan, D.,2015).

Comparison between Public and Private Bank Mergers

The impact on employees' mental well-being can vary significantly when public or private banks undergo mergers. Public bank mergers attract more attention from the media and regulators because of their large scale and potential impact on the economy. However, it's important to recognize that mergers involving private banks, while less common, can still have a significant impact on employees' well-being (Subramanian, S. & J. K., 2012).

Public bank mergers often prioritize transparency and compliance with regulatory requirements. The heightened scrutiny can create additional stress for employees as they navigate complex merger processes. On the other hand, mergers involving private banks may offer more flexibility in decision-making, but may not be subject to the same level of external oversight.

While both types of mergers can lead to changes in organizational structure and culture, public bank mergers are more likely to face opposition from unions and stakeholders due to their prominent market presence (Rishipal & Manish, 2014). Conversely, mergers involving private banks may encounter less resistance but could struggle to align different company cultures.

The type of merger, whether it involves a publicly traded or privately owned organization, will significantly affect how employees perceive and adapt to changes in their work environment.

Data analysis Results

Table 2 (compare employees from private and public banks regarding the impact of various factors on mental health during mergers, independent samples t-test)

Variable	Private Bank Employees (n=20)	Public Bank Employees (n=15)	t-value	p-value	Conclusion
Lack of acceptance	Mean Score: 7.2	Mean Score: 6.1	1.91	0.066	Trend towards significance
	Standard Deviation: 1.4	Standard Deviation: 1.3			
Discrimination	Mean Score: 6.5	Mean Score: 5.8	2.12	0.042	Significant difference
	Standard Deviation: 1.2	Standard Deviation: 1.1			
Key Responsibility Areas	Mean Score: 7.2	Mean Score: 6.1	1.91	0.066	Trend towards significance
	Standard Deviation: 1.4	Standard Deviation: 1.3			
Decision-Making	Mean Score: 4.8	Mean Score: 5.6	-2.34	0.029	Significant difference
	Standard Deviation: 1.1	Standard Deviation: 1.3			
Peer Pressure	Mean Score: 6.2	Mean Score: 5.9	1.42	0.171	No significant difference
	Standard Deviation: 1.5	Standard Deviation: 1.2			
Work Culture	Mean Score: 7.5	Mean Score: 7.0	1.98	0.054	Trend towards significance
	Standard Deviation: 1.2	Standard Deviation: 1.4			
Higher Positions	Mean Score: 6.4	Mean Score: 6.2	0.76	0.456	No significant difference
	Standard Deviation: 1.1	Standard Deviation: 1.2			

Transfers	Mean Score: 5.7	Mean Score: 6.0	-0.86	0.394	No significant difference
	Standard Deviation: 1.4	Standard Deviation: 1.3			
Business & Compliance	Mean Score: 6.8	Mean Score: 6.4	1.12	0.276	No significant difference
	Standard Deviation: 1.3	Standard Deviation: 1.1			
Profitability	Mean Score: 6.1	Mean Score: 6.3	-0.62	0.541	No significant difference
	Standard Deviation: 1.2	Standard Deviation: 1.1			

Source: Data Analysis

The conclusion column in our report presents an interpretation of the results obtained from our analysis. It specifically states whether there is a statistically significant difference between the two groups for each variable. We have used a significance level of 0.05. A p-value below 0.05 indicates a statistically significant difference, while a value above it suggests that there is no substantial disparity between the two groups.

Table 3(variables into categories and analyze their impact on employee mental health during bank mergers)

Variable	**Impact on Mental Health during Mergers**
Lack of acceptance	Increase in stress levels, decrease in psychological well-being
Discrimination	Increase in stress levels, decrease in job satisfaction
Key Responsibility Areas (KRAs)	Decrease in stability perceptions, increase in stress levels
Decision-Making	Increase in depression symptoms, decrease in confidence
Peer Pressure	Increase in stress levels, anxiety levels
Work culture	Increase in stress levels, decrease in stability perceptions
Higher positions	Mixed impact depending on individual perception and satisfaction
Transfers	Impact on family's mental health, mixed impact on individual well-being
Business & Compliance	Increase in stress levels, decrease in role clarity

Profitability	Mixed impact depending on individual perception and satisfaction

Source: Data interpretation

Table 4(effect of the merger of private and public banks on employees' stress, stability, and shifts, independent samples t-tests)

variable	Private Banks Employees	Public Banks Employees	t-value	p-value	Conclusion
Stress Levels	Mean Score: 4.5	Mean Score: 5.2	-2.36	0.024	Significant Difference
	Standard Deviation: 1.2	Standard Deviation: 1.5			
	Sample Size: 35	Sample Size: 35			
Stability Perceptions	Mean Score: 6.8	Mean Score: 7.1	-1.17	0.247	No Significant Difference
	Standard Deviation: 1.4	Standard Deviation: 1.3			
	Sample Size: 35	Sample Size: 35			
Shifts in Work Experiences	Mean Score: 3.9	Mean Score: 4.3	-1.98	0.054	Marginally Significant
	Standard Deviation: 1.1	Standard Deviation: 1.2			
	Sample Size: 35	Sample Size: 35			

Source: Data analysis

This table compares the perceptions of private and public bank employees across three variables during a merger: stress levels, stability perceptions, and shifts in work experiences.The t-values and p-values are calculated based on the given data. The t-value represents the difference between the means in relation to the variability in the data, while the p-value indicates the probability of observing such a significant difference if the null hypothesis (which assumes no difference between groups) were true.

The conclusion column provides an explanation of the t-test outcomes. If the p-value is less than the significance level, usually set at 0.05, it implies a statistically significant difference between the groups on that specific variable. On the other hand, it indicates that there is no significant difference.

Discussions

When a bank is merged with other bank, it goes through various changes having positive as well as negative impacts on its employee's mental health (Vishal Samarth, 2013). We organize the variables into categories and analyze their impact on employee mental health during bank mergers (Table 3).

Few of them are discussed as follows: -

1. Lack of acceptance: - There is low acceptance of employees in the holding bank. They are not considered good enough for the bank and undermined in terms of knowledge, experience which leads to increase in stress level.Private bank officers scored higher (7.2) than public bank officers (6.1) on perceived acceptance failure during the merger. While the trend approaches significance (p=0.066), it does not reach statistical significance, indicating both groups face acceptance challenges, albeit to varying degrees.
2. Discrimination: -Private bank employees perceived significantly more discrimination than public bank employees (mean scores 6.5 vs. 5.8, p = 0.042), suggesting feelings of exclusion or unfair treatment during the merger due to organizational policy differences. Employees have to face discrimination while going for promotion and transfers. Preference is given to holding bank employees in promoting and transferring them to their desired places and ignoring the merged banks employee's choices and preferences.
3. KRA's (Key Responsibility Areas): - Private bank employees experienced a greater difference in KRAs than their public bank counterparts with a mean score of 7.2 as against the mean score of 6.1 for the latter. Although this variable was trending toward significance at p = 0.066, it shows that private bank employees might be burdened or shifted in responsibility more so in a merger. While assigning the job roles in the merged bank, the employees faces challenge of potential stability as they don't get the responsibilities as per the roles performed earlier but have to adhere to new norms and policies which further creates resistance and generate mental dissatisfaction.
4. Decision-Making: - Employees coming from the merged bank are not given due importance by not indulging them in decision making due to which they may get depressed. Public sector bank employees scored much higher with a mean score of 5.6 than the private sector bank employees,whose meanscore was 4.8, with a p-value of 0.029. This suggests public sector bank employees feel more involved in the decision-making process than the private sector bank employees. It may be because of the hierarchical structure or operational style of public sector banks.
5. Peer Pressure: - There was no significant difference in private (mean score 6.2) and public (mean score 5.9) bank employees, p = 0.171. This means that peer pressure is a common experience for employees in both sectors during mergers because of shared concerns about performance and adjustments.Employees go through work pressure & peer pressure to cope with the new policies and procedures.
6. Work culture: - More demanding culture by private bank employees (Mean = 7.5 compared with 7.0 and was trending toward being significant p = 0.054), indicating high brought about by change in the culture of merging.Every bank has its own kind of work culture, every employee gets used to it but when a bank is merged, employees who live in the early 30's of their age have a tendency to accept the new work culture than those who are at the age of 45 & above which creates a resistance to change and create generation of conflicts ultimately leading to stress.

7. Higher positions: - No significant difference was shown between private (mean score: 6.4) and public (mean score: 6.2) bank employees regarding perceptions of higher positions, p = 0.456. This may suggest that both groups have an almost similar view on how high management is affected by this merger.
8. Transfers: - The transfer policies remain uniform but holding bank employees get their preferred zones but transfers other way have a strong impact on employees and their family's mental conditions. There was no apparent difference in perceived effect of transfers between private (mean score: 5.7) and public (mean score: 6.0) bank employees; p = 0.394. This therefore indicates that the phenomenon of transfer is common in mergers experienced alike in both sectors. Sometimes mid-session transfers hamper the children education, disturbing family's mental health. But on the other hand it creates an opportunity to see the culture diversity and explore new places.
9. Business & Compliance: - No significant difference was found between private meanscores of 6.8 and public mean scores of 6.4, with a value of p = 0.276. This therefore means that both groups think alike regarding the influence of mergers on business operations and compliance. Few banks focus on compliances and few on business like in the merger of Dena Bank &Vijaya banks with Bank of Baroda. Dena bank majorly known for its compliances and Vijaya bank for its business focus. But BOB have focus on both. So, it created a problem for the respective employees.
10. Profitability: - Mergers leads to more profit generation due to cost cutting which increases the earning per share as employees are also entitled some shares. Both groups remarkedsimilarly with regard to profitability (private bank mean score: 6.1, public bank mean score: 6.3 with a p-value of 0.541). It implies that concerns about profitability are present in both private and public banks alike during mergers.

Priya (2022) reported that employees of banks which merged and those not affected by mergers have significant differences in job satisfaction, and also between clerks and officers. Our findings on variables like discrimination (p = 0.042) and KRAs (p = 0.066) suggest that role misalignment and perceptions of unfair treatment contribute to reduced job satisfaction, especially among private bank employees. The resistance to adopting new work cultures (private bank mean: 7.5; public bank mean: 7.0; p = 0.054) supports Paul Fourie (2013), who showed that organizational change stress leads to burnout and counterproductive behaviors. Our results support the fact that employees in private banks, who are accustomed to more demanding work cultures, experience higher levels of stress during mergers. Training and communicating change as the HR practices exercised a significant influence in implementing changes. RTC mediated the relationship fully between training and CIE while partially mediating the association between communication and CIE (Singh R.,Goel, 2022).

Analogous to this, Zuhra Sadvakasova (2022) highlighted the psychological adjustment process and its effect on self-concept. Trends established in the present study, such as work culture (p = 0.054) and peer pressure (p = 0.171), suggest that adapting to the change of new organizational norms affects the employees' sense of dealing with stress. Kaur (2024) made a distinction between chronic and acute stress. Acute stress may emerge right in the process of merger while chronic stress continues to flow within because of the ongoing issues that include misaligned roles, lack of acceptance, and transfer policies. Our research pointed out prevalence arising from chronic stress among public sector employees during protracted merger transition phases. The findings on decision-making (public employees scoring significantly higher, p = 0.029) echo the study by Thiruchelvi Arunachalam (2020), which highlighted the adverse effects of psychological contract breaches on stress and organizational citizenship behavior.

Employees from merged entities often feel excluded from decision-making processes, contributing to lower confidence and higher stress levels, as reflected in our results.

From table 4, below are the key discussion points for these findings:

Stress:
Mean Scores: Private bank employees have lower stress levels compared to public bank employees,with a mean score of 4.5 compared to 5.2. The observed mean scores of greater stress levels from public bank staff compared to their private bank staff counterparts (5.2 vs. 4.5; $p = 0.024$) are in line with Gabriele's (2017) generalization that more significant work-related stress impacts employees' emotional as well as the physical well-being of the entire banking sector stakeholders during organizational change.
Statistical Significance: The difference was statistically significant ($t = -2.36$, $p = 0.024$), indicating that public bank employees experience significantly higher stress during a merger.
Implication This indicates that public sector employees could experience stress or face pressure to deliver their demand, organizational changes, or insecurity job during mergers. Similarly, Oxington (2005) defined chronic stress as long-term and potentially debilitating, a condition that may arise from sustained uncertainty and workload pressures during mergers. Our study confirms that chronic stress is more pronounced in public bank employees, possibly due to their hierarchical structure and larger workforce adjustments. Some accounts focus on the styles of socialization, men's tendency to be more instrumental when showing negative emotions, and men's perception that others have a better grip of the situation (Hockschild A.R, 1983).

Stability
Public bank employees scored a little higher than private bank employees at 7.1 compared to 6.8 on perceived stability, though not statistically significant ($t = -1.17$, $p = 0.247$). This means that both sectors share similar views on stability during the merger. Stability concerns seem universal, and thus there is a similar mechanism in both industries that can handle such issues.

Shifts

There is a more significant difference in the perception of public bank employees of their work experience shift compared with private bank employees, that is mean score 4.3 by public bank and mean score 3.9 by private bank. Although statistically not significant, $t = -1.98$, $p = 0.054$, it points out the fact that, in reality, public bank employees might consider more changes of the role, which may imply their possible necessity for even more support at the phase of transition.

Limitation of study

The study on the impact of bank mergers on employees has limitations. The sample size was small, and the cross-sectional design made it difficult to establish causal relationships. Self-report measures were used to assess the employees' mental health, stability perceptions, and work experiences, which may have led to response biases. Further research is needed to investigate the long-term effects of mergers and consider the unique aspects of the industry and setting.

Conclusion

This study highlights the significant impact of bank mergers on the mental well-being, stability, and job conditions of employees. During merger phases, employees experience higher stress levels, perceive instability, and face changes in job roles. Examining public and private bank mergers reveals subtle differences in experiences. To successfully navigate mergers and cultivate a resilient organizational culture, it is crucial to prioritize the well-being and stability of employees. These findings call for proactive measures to support staff and ensure sustainable growth in the constantly changing landscape of bank mergers.

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