



# Behavioral Attitude and Job Commitment among the Employees Working in Private Merger Banks at Bangalore

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## ABSTRACT

This study attempts to explore the behavioral attitude and job commitment among the employees working in private merger banks at Bangalore. For this purpose, employees behavioural attitude such as upgradation, welfare, knowledge skills and team work are treated as independent variables and employee job commitment is treated as dependent variable. Questionnaire have been constructed to collect the primary data from the bank employees working in private sector merger banks namely ING Vysya bank, and Lakshmi vilas bank at Bangalore city. A sample of 120 respondents have been approached to collect the data through convenient sampling method. The collected data has been analysed with descriptive statistics, correlation test and regression analysis. The findings indicates that the employees behavioural attitude of upgradation, welfare, knowledge and skills and team work have significant influence on employee job commitment in private sector merger banks.

**Keywords:** Mergers, Employees, Job commitment, Private sector Banks.

## Introduction

Mergers have focused all of their attention on political and economic unpredictability and uncertainty. During and after a merger, the human workforce frequently ignored and left out. The authorities have hardly ever taken any action to evaluate and weigh the impact of the bank's merger and acquisition on its employees. Employee behaviour is typically negatively impacted by mergers and acquisitions, leading to biased practices, job dissatisfaction, absenteeism, low morale, and low motivation. As more motivated employees are, the more secure productivity is, which is essential to the bank's growth and prosperity as a result of the merger and acquisition procedure, it is imperative to certify that the morale of the workforce is preserved. The biggest news in the banking industry recently was the Indian government's decision to combine private sector banks.

### Employees Behaviour

It is a natural phenomenon that the changes in the internal and external environment will surely affect employees attitudes and behaviour. It is quite common from the learning aspect that as employees go through certain changes, it will bring some or the other changes in our behaviour and consequently, the employees' behaviour will determine organizational behaviour, discipline and work culture (Peter Warr 2004). Merger and Acquisition do have significant impacts on employees' well-being, work, team performance and organization performance. Managing the acquisition process and the employees of the acquired organization in the right manner and approaches can reduce the negative impact of the acquisition process. It also can help an organization to recover and perform again in a shorter period (Cartwright, S. & Cooper, C. L. 1993). Organizations should employ the right approach and strategies during the acquisition process and special attention given to effectively managing the employees of the acquired organization( Buono, A. F. & Bowditch, J. L. 1989).

## **Literature Review**

Smitha Meena, Pushpendar Kumar (2014) stated that banking companies now operate on a much larger and more sophisticated scale in the global economy, and they must contend with a constantly evolving and complex regulatory landscape. Globally, people have come to understand that Merger and Acquisition is the only way to obtain a competitive edge both domestically and globally, and as a result, a wide range of businesses are searching both domestically and globally for strategic acquisitions. Shook and Roth (2011) evaluated the viewpoints of HR professionals in light of their experiences with mergers, acquisitions, and downsizings through a qualitative study employing a constant comparative method. They discovered that HR professionals weren't participates in the planning of mergers, acquisitions, and downsizing choices. In these change projects, neither the HR practitioners in this study nor other HR team members in their respective firms played an upfront, due diligence role. The strong stressors stated that bank workers faced were recognized. The author categorized them according to organizational policy, structure, procedure, physical working conditions, group dynamics, and other aspects. The strong stressors included structural rigidity, unfavorable physical working conditions, and additional organizational elements.

## **Research Problem**

Emerging organizations from corporate mergers (i.e., mergers and acquisitions) are serious changes which can create differential effects other merged or acquired organizations and further affect divergent organizational attitudes. Aversive consequences experienced after merger and acquisition may cause frustration, distrust, resentment, reaction and feelings of anger and injustice as product of perceptions of existing employees after reforms. Beliefs, feelings and emotional episodes are indeed all products. It has reemphasized the repercussion these consequences have on employees' attitudes. From this background, this study has the focus on the consequences of change from bank reforms and the probable varying repercussions they have on feelings and beliefs of retained employees at post merger and acquisition. It is assumed that feelings and beliefs held towards the attitude object (e.g., differential promotion or demotion) may influence varying degree of work attitude across conditions of merger and acquisition and by extension individual and organizational work outcomes based on quality of the organizational merger. The study therefore identifies employees behavioral performance in private bank merger.

## **Objectives of the study**

1. To access the employees attitudes towards upgradation, welfare, knowledge and skills and team work in mergers of private sector banks.
2. To examine the relationship between the employee upgradation, employee welfare, employee knowledge and skills and team work with job commitment in mergers of private sector banks.
3. To examine the influence of the upgradation, welfare, knowledge and skills and team work on job commitment in mergers of private sector banks.

## **Hypotheses of the study**

1. The employees upgradation, welfare, knowledge and skills and team work has significant relation with job commitment in mergers of private sector banks.
2. The employee upgradation, welfare, knowledge and skills and team work have significantly influence on job commitment in mergers of private sector banks.

## **Research Design**

The study used descriptive research type groups on conditions of merger and acquisition. The independent variables are , welfare, knowledge and skills and team work whereas the dependent variable is work organizational commitment. Purposive sampling technique was used to assign participants. This approach was found more befitting because only bank workers that experienced merger and acquisition especially employees that survived job loss in banks that were involved in mergers and acquisitions were considered. The study on the survey instruments utilized 120 commercial bank employees from merged and acquired banks. Among the merged banks were ING Vysya Bank and Lakshmi Vilas Bank. That is the selection drew representation from the different banks that experienced merger or acquisition.

## Result and Discussion

**Table 1. Employees opinion about upgradation.**

s.no	employee upgradation	Mean	SD
1	The compensation policy after the merger is very fair	3.33	0.83
2	Communication was provided at all important junctions of the merger	4.23	0.97
3	The pay I receive is at par with the existing employees	3.82	1.01
4	My opinion is that a merger enables the employee's upgradation.	3.65	0.98

Table 1 shows that the employees opinion towards upgradation in mergers of private sector banks. Here, employee upgradation is analysed with four statements. Further, mean and standard deviation values are calculated for each statement. The mean values range from 4.23 to 3.33. The calculated standard deviation value lies between 1.01 and 0.83. From the mean values, it is observed that the Communication was provided at all important junctions of the (4.23) is high among the bank employees followed by The pay they received is at par with the existing employees (3.82), the opinion is that a merger enables the employee's upgradation (3.65) and the compensation policy after the merger is very fair (3.33). It is inferred that the Communication was provided at all important junctions to the employees found to be but the compensation policy after the merger is not fair.

**Table 2. Employees opinion about welfare**

s.no	Employee welfare	Mean	SD
1	Employee welfare and quality of work life are better	3.48	0.98
2	There was a systematic effort from the management side to retain the employees	3.85	0.86
3	Welfare initiatives enhance the quality of work life	4.02	1.01
4	Merger promotes better Employee welfare	3.72	0.95

Table 2 shows that the employees opinion towards employee welfare in mergers of private sector banks. Here, employee welfare is analyzed with four statements. Further, mean and standard deviation values are calculated for each statement. The mean values range from 4.02 to 3.48. The calculated standard deviation value lies between 1.01 and 0.86. From the mean values, it is observed that the welfare initiatives enhance the quality of work life (4.02) is high among the bank employees followed by there was a systematic effort from the management side to retain the employees (3.85), merger promotes better employee welfare (3.65) and Employee welfare and quality of work life are better (3.33). It is observed that the employees highly perceived that welfare initiatives enhance their quality of work life but the employee welfare and quality of work life are not good.

**Table 3. Employees opinion about employee knowledge and skills**

s.no	Employee knowledge and skills	Mean	SD
1	The decision of the Bank Merger and its benefits was well informed	3.59	0.87
2	Job security was not an issue when the merger was announced	3.84	0.93
3	Many employees ready to face the organization when the merger was announced	4.17	1.05
4	Quitting the job when the merger was announced	3.72	0.92

Table 3 shows that the employees opinion towards their knowledge and skills in mergers of private sector banks. Here, employee knowledge and skills is analysed with four statements. Further, mean and standard deviation values are calculated for each statement. The mean values range from 4.17 to 3.59. The calculated standard deviation value lies between 1.01 and 0.86. From the mean values, it is observed that many employees are ready to face the organization when the merger was announced (4.17) and is high among the bank employees followed by job security was not an issue when the merger was announced (3.84), Quitting the job when the merger was announced (3.72) and the decision of the bank merger and its benefits was well informed

(3.59). It is inferred that many employees are ready to face the organization when the merger was announced but the decision of the bank merger and its benefits was well informed.

**Table 4. Employees opinion about team work**

S.NO	Team work	Mean	SD
1	No complaints against promotion & transfer policy	3.48	0.86
2	There is a good Team spirit in the organization	3.98	0.98
3	Co-ordination with anchor bank employees is good	3.79	0.95
4	Merger offers more Team Spirit among branches	3.82	0.99

Table 4 shows that the employees opinion towards their team work in mergers of private sector banks. Here, teamwork is analysed with four statements in the five point likert scale. Further, mean and standard deviation values are calculated for each statement. The mean values range from 3.98 to 3.48. The calculated standard deviation value lies between 0.99 and 0.86. From the mean values, it is observed that there is a good team spirit in the organization (3.98) and is high among the bank employees followed by merger offers more team Spirit among branches (3.82), co-ordination with anchor bank employees is good (3.79) and no complaints against promotion and transfer policy (3.48). It is inferred that there is a good team spirit in the organization but there is lot of complaints against promotion and transfer policy.

**Table 5. Employees opinion about commitment**

S.NO	Job commitment	Mean	SD
1	Willing to put in a great deal of effort	3.99	0.91
2	Comfortable with the policies of the Bank	4.13	0.83
3	Employees are not allowed to work beyond	3.85	0.93
4	Job profile promotes job commitment	3.42	0.97

Table 5 shows that the employees opinion towards their job commitment in mergers of private sector banks. Here, employee job commitment is analysed with four statements. Further, mean and standard deviation values are calculated for each statement. The mean values range from 3.98 to 3.48. The calculated standard deviation value lies between 0.97 and 0.83. From the mean values, it is observed that being comfortable with the policies of the bank (4.13) and is high among the bank employees followed by willing to put in a great deal of effort (3.99), employees are not allowed to work beyond (3.85) and job profile promotes job commitment (3.42). It is inferred that the employees are comfortable with the policies of the bank but job profile promotes job commitment is perceived at lower level among the employees.

**Table 6. Relationship between employee behaviour attitude and Job commitment.**

Employee Behaviour	Job commitment	
	r-Values	P-Values
Upgradation	0.577	0.001*
Welfare	0.643	0.001*
Knowledge and skills	0.745	0.001*
Team work	0.473	0.001*

Table 6 explains the relationship between employee behaviour and job commitment in mergers of private sector of banks.

H<sub>1</sub>: The employee behaviour have significant relation with the job commitment.

In order to examine the above stated hypothesis, Pearson correlation test is applied. The calculated P-values are found to be significant for all the factors of upgradation, welfare, knowledge and skills and team work. Hence, the stated hypothesis is accepted. From the r values it is observed that the employee knowledge and skills have high correlation with the job commitment (0.745) followed by welfare (0.643), upgradation (0.577) and team work(0.473). Hence it is observed that the employees behaviour performance of their knowledge and skills have strong relation with the job commitment in the mergers of private sector banks but team work has weak relation with the job commitment of the employees.

**Table. 7. Influence of employee behaviour on job commitment.**

R	R Square	Adjusted R Square	F-Values	P-values
0.916	0.839	0.835	95.48	0.001*

Predictors	Unstandardized Coefficients		Standardized Coefficients	t-values	P-values
	B	Std. Error	Beta		
(Constant)	1.942	0.022	-	6.785	0.001*
Upgradation	0.645	0.067	0.524	1.303	0.001*
Welfare	0.574	0.048	0.425	2.486	0.001*
Knowledge And Skills	0.765	0.037	0.675	1.128	0.001*
Team work	0.338	0.045	0.289	1.641	0.001*

Table 7 indicates the influence of employee behaviour on job commitment.

H<sub>1</sub>: The employee behaviour have significantly influence with their job commitment.

Multiple regression analysis is applied to know the effect of independent variables on the dependent variable. From the adjusted r-square value, it is inferred that the independent variables are influenced at 0.835 levels on the dependent variable. The F-value is found to be 95.48. It is found that the employee behaviour banks have influenced the job commitment at 83.5 percent. The p-values is significant. Hence, it is inferred that employee upgradation, employee welfare, employee knowledge and skills and team work significantly influences the job commitment of the employees in mergers of private sector banks.

Hence, the stated hypothesis is accepted. The unstandardized co-efficient beta value indicates the strength of relationship between dependent and independent variable. That is the strength of relation between employee behaviour and job commitment. It is expressed by the equation.

Job commitment = 1.942 + 0.645 (upgradation) + 0.574 (welfare) + 0.765 (knowledge and skills) + 0.338 (team work).

Further, unstandardized co-efficient beta value indicates that to have one unit increase in job commitment, the employee knowledge and skills is influenced at 0.765 level when other factors remain constant. Similarly, for one unit increase in job commitment, upgradation influenced at 0.645, welfare is influenced at 0.574, team work at 0.338 level with other respective factors remain constant.

Hence, it is found that the employee knowledge and skills strongly influence the Job commitment in the mergers. But, the team work has weak influence on job commitment among the employees mergers of private sector banks.

### Findings and Suggestions

Communication was provided at all important junctions of the merger to the employees but the compensation policy after the merger is very fair is found to be at low level among the employees. So performance based incentives can be given to the employees to increase their job commitment in mergers of banks. The employees highly perceived that welfare initiatives enhance their quality of work life but the employee welfare and quality of work life are better is found to be at low level among the employees. Hence employees feedback and survey session can be arranged to meet their needs. Many employees are ready to face the organization when the merger was announced but the decision of the Bank merger and its benefits was well informed is perceived at low level among the employees. So the banks can clearly communicate the compensation policy and structure to the employees. It is inferred that the employees are comfortable with the policies of the Bank but job profile promotes job commitment is perceived at low level among the employees. Hence promotions can be made on performance, skill and seniority. The employees knowledge and skills have strong relation with the job commitment in the mergers of private sector banks but team work has weak relation with the job commitment of the employees. So active work of the employees to build trust among team members is required to increase the job commitment. It is found that the employees knowledge and skills strongly influenced the job commitment. But, the employees team work has weak influenced on job commitment. So the clear communication of goals and effective recognition may be implemented to increase the job commitment of the employees.

### Conclusion

The purpose of this research was intended to determine the effects of employee behaviour on job commitment. The study was also interested in establishing the significant difference of employee behaviour in merger banks.

. Results of the study on the research hypothesis has provided some support on the prediction that there would be more significant effects in acquired than merged banks on employees' reactions on measures of work attitude after bank reforms. The outcome of the analysis revealed that employees in merged banks have more positive work attitude than their counterparts . Hence, retained bank employees after merger may have developed perceptions from their beliefs to have spurred them to see certain actions of the object of change as a breach or violation of their psychological contract. The varying degree of such perceptions of wrong doing over time may have caused differentials on employees' reactions under merged conditions after bank reforms.

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