

Publications

A LITERATURE REVIEW OF MERGER AND ACQUISITION ON EMPLOYEE PERSPECTIVE

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Abstract : An extensive review of literature reports has been carried out in order to get a good quality observant in the topic of Mergers and Acquisitions. Literature review has been done from books, journal, published national and international papers etc. The issues covered consist of Motives, Financial performance, Work Environment, Job Satisfaction, Employee Morale, Employee Stress. Literature assessment has been collected from each inside India and outside India. Most of the companies studied enhanced work environment and job satisfaction after merger or acquisition. This might be because of decreased cost of operation added approximately with the aid of using economies of scale. The observed out that mergers and acquisition became now no longer the simplest contributor to job satisfaction and other factors also contribute towards increased job satisfaction.

Keywords: Mergers and Acquisitions, Work Environment, Job Satisfaction, Employee Morale, Employee Stress.

Introduction

Mergers and Acquisitions (M&A) are being increasingly used the world over, for improving competitiveness of companies through gaining greater market share, broadening the portfolio to lessen enterprise chance, for coming into new markets and geographies, and capitalizing on economies of scale. Mergers and acquisition always contain organizational change, integrating a few or all elements of the preceding organization features and or activities, which can also additionally hamper employees job satisfaction. On the other hand, the degree and the level of organizational changes could be extremely generous across mergers because the motive and types of mergers differ broadly. One motive to assume in merger interest is the possibility to take benefit of economies of scale. A merger may be a much less steeply-priced manner to attain efficient asset size than internal expansion..

Merger interest will also be a mechanism to update inefficient management. Mergers additionally defend smaller, much less efficient banks from larger more efficient banks. It additionally gives an possibility for banks to lessen chance through geographic diversification. In an excellent merger the newly created entity pools the first-rate functions of the merging organizations. A properly deliberate procedure constructed at the foundations of an open, sincere and constant communiqué approach can pave the manner for a successful merger. Merger and Acquisition regularly show to be distressing for the employees of acquired firms ; the effect can variety from anger to depression. This can also additionally bring about excessive turnover, lower in morale, motivation, productiveness and consequently merger failure. The different

troubles with inside the merger and acquisition interest are the adjustments in human useful resource policies, layoffs, survivor syndrome, and pressure at the workers. The human resource structure issue that becomes essential in merger activity such as human resource planning, selection and turnover, employee development, performance appraisal system, compensation and employee relations.

Review of Literature

Sigamoney et al (2020)¹, revealed that the most consolidations have set a spotlight on financial and political vulnerability taking into account the productivity of a business while disregarding employee morale and prosperity during the cycle of progress. Human resources are regularly disregarded during and after consolidation. Guarantee that worker assurance is kept up with as inspired representatives guarantee efficiency, which is vital for the associations' prosperity following the consolidation and securing measure. This paper plans to contribute its discoveries on how representative resolve is essential to the accomplishment of consolidations in the current world. An uncommon spotlight will be put on H&K Networks in South Africa. Most mergers or acquisitions bring about losing key workforce, in this way influencing the recently framed organization's ideal development system. The maintenance of key faculty is an expanding worry of bosses. Mergers and acquisitions along these lines overlook representative resolve at their own hazard. By and large, endeavors that consolidate or that are procured base their prosperity on the ability of the elaborate representatives. This guarantees the organization's accomplishment in its endeavors going ahead. The legitimate administration of representatives during a consolidation brings about ideal usefulness. Catchphrases: consolidations, acquisitions, post-consolidations, workers, managers, culture, assurance, administration.

Hussain, Soomro, Bhutto, Shah, & Shaikh, (2019)², concluded that to improve the employees performance and commitment level proper measures should be taken to control the stress level among them. In the merger and acquisition process one can only succeed if proper attention is paid towards factors of generating stress and anxiety. Stressful situations arise among the employees due to adopting the new culture and environment after merger and acquisitions and leaving behind their old work culture. Stressors include changes in job role, insecurities, salary issues, and uncertainty.

Aristos et al (2018)³, have brought up that most consolidations have set a spotlight on financial and political vulnerability taking into account the productivity of a business while disregarding employee morale and prosperity during the cycle of progress. Human resources are regularly disregarded during and after consolidation. Guarantee that worker assurance is kept up with as inspired representatives guarantee efficiency, which is vital for the associations' prosperity following the consolidation and securing measure. This paper plans to contribute its discoveries on how representative resolve is essential to the accomplishment of consolidations in the current world. An uncommon spotlight will be put on H&K Networks in South Africa. Most mergers or acquisitions bring about losing key workforce, in this way influencing the recently framed organization's ideal development system. The maintenance of key faculty is an expanding worry of bosses. Mergers and acquisitions along these lines overlook representative resolve at their own hazard. By and large, endeavors that consolidate or that are procured base their prosperity on the ability of the elaborate representatives. This guarantees the organization's accomplishment in its endeavors going ahead. The legitimate administration of representatives during a consolidation

brings about ideal usefulness. Catchphrases: consolidations, acquisitions, post-consolidations, workers, managers, culture, assurance, administration.

Kour & Kaur, (2018) ⁴, concluded that the major issue among the employees of the merged banks was the threat of job loss and increased stress since the employees are facing issues getting along with the new working environment. Employees need to tackle with mental health issues and stressful life. It was also found that the employees were opting for leaving the organization due to increased stress. Several factors responsible for increased stress level were changed job structure, post merger integration, shifted working hours, increased expectations, changed procedure and policies.

Van Dick, Ciampa, & Liang, (2018) ⁵, conducted study to explore the employee stress and well being at the organization and observed in the study that the staff who get along with their peers and teams has to face less stressful scenarios. During post merger integration period shared identities helps in deducing the clashes among staff and to cope up with the stress creating aspects with respect to merger and acquisition. It was necessary to participate in stress management strategies to balance the workplace stress and health.

Chinta (2016) ⁶, this paper looked at employee's work fulfillment when merger and acquisition (M&A); and estimated the relationship of occupation fulfillment with exchanging goal after M&A of Nepalese Banks and Financial Foundations (BFIs). A study among 180 representatives of 27 BFIs who saw M&A has been directed utilizing six-point Likert scale polls. The outcome uncovered that employees' issues are the main part of M&A measure which, if not dealt with indeed, may adversely affect employee's fulfillment and exchanging expectations. Workers were found less fulfilled after M&A contrasted with before M&A, however, exchanging goal of representatives was not found after M&A. Nonetheless, the probability of representatives leaving BFIs has existed because workers those were fulfilled communicated that they can improve opportunity than the current work, and there would not be an issue in their life to stop present work.

Vijaywargia, (2016) ⁷, concluded that merger and acquisitions prove to be the most prominent strategy for the growth and success of the business, but merger and acquisitions considerably fail because of neglecting the employee issues. Further foremost merger stressors have been additionally discovered consisting of job transfers, compensations changes, power status, threat related to job loss, insecurity which leads to declined performance and absenteeism. Merger and acquisition are generally threatening for the staff as they generate anxiety and stress.

Plemons (2014) ⁸, investigated that the companies to become aware of subject matters amongst aid group of workers in decided on Registrar's Offices with inside the Southeastern vicinity of the United States. The researcher requested members to talk about their perceptions on current morale stages with inside the workplace and how different work responsibilities affect morale. Since the Office of the Registrar is fundamental to the institution, the researcher additionally requested members how the workplace's perceived morale affected the success of the workplace's mission. The study, a staff with high morale will improve customer service experiences and create a dynamic workforce willing to go beyond the requirements of the position. The office with the lowest morale had different divisions within its structure which

operated similar to individual silos. The offices with the highest morale defined the work environment as a family, was cross-trained, and non-management staff addressed the task of boosting morale. Happy employees will work together, assist students, and propel the Office of the Registrar to a model within the university.

Sanda and Benin (2011)⁹, carried out a study to understand the degree to which employees' satisfaction with merger-caused organizational modifications effect on their productiveness and the merged-company overall performance. The consequences confirmed that human useful resource problems are critical components of mergers which, if it isn't properly handled may impact negatively on employee satisfaction with consequent repercussions on productivity and the success of the merger. It is concluded that worker satisfaction to a merger-caused organizational modifications can be stronger through instituting powerful two way communication system and the usage of participatory tactics in job remodel techniques. By implication, merger induced change has human factor challenges that merging firms need to understand.

Islam, Mohajan & Datta, (2011)¹⁰, carried out a study of the morale and job satisfaction performs a essential function in general overall performance of the personnel surrounded by the workplace The examine additionally decided that social status, supportive colleagues and feeling steady approximately the job have been the top three best reasons for operating inside the banks. It changed into additionally decided that pay, choice making authority, and promotional coverage have been the pinnacle priorities for enhancing the work environment

Mah, Okechukwu E,(2009)¹¹, revealed the job satisfaction has a direct negative relationship with turnover intention. These consequences imply that the impact of job satisfaction on turnover may be stronger in ways; namely whilst personnel discover congruence among their job and their self –identity and whilst involvement in such jobs complements their life satisfaction. These two studies reveal the importance of the research. The aspect of overall life satisfaction was not considered in this research.

Uma Sekaran, (2009)¹², indicated that personal, job, and organizational climate factors influenced the ego investment or job involvement of people in their jobs, which in turn influenced the intra-psychic reward of sense of competence that they experienced, which then directly influenced employees' job satisfaction.

Nirmala, Aruna (2013)¹³, described that the merger and acquisition for long have been an important phenomenon. The subject matter of counting interest to different persons such as the business commercial enterprise executives who're seeking out capacity merger partners, funding bankers who manipulate the mergers, legal professionals who recommendation the parties, regulatory government difficulty with the operations of inventory marketplace and developing company sectors within the financial system and researchers who need to recognize those principles better.

Shobhana , Deepa (2011)¹⁴, explored a probe into the fulfillment of reasons as vowed withinside the merger offers of the nine chosen merged banks. The observe makes use of Summary Statistics, Wilcoxon Matched Paired Signed Rank Test and 'T' check for evaluation and interpretation of statistics referring to the 5 pre and publish merger intervals each. The end

result shows that there was most effective partial fulfillment of the reasons as envisaged with inside the merger offers.

Julie Lei Zhu (2011)¹⁵, investigated that a new degree for shareholder cost introduction to evaluate the performance of obtaining companies in making use of capital earlier than mergers and acquisitions (M&As) and hyperlinks this degree to acquirers' publish-acquisition overall performance. His degree, built earlier than the M&A transaction, (a) predicts each the running and long-run unusual inventory overall performance of merged companies after the acquisitions and (b) hedge portfolios primarily based totally at the degree generate sizable unusual returns. Overall, the effects indicated that buyers do now no longer absolutely understand how green acquirers had been in making use of capital earlier than M&As and that incorporating the brand new cost introduction degree into the selection system of large-scale M&As can assist defend shareholder wealth.

Mehroz Nida Dilshad (2013)¹⁶, denoted the performance of marketplace with admire to bulletins of mergers and acquisitions the usage of an occasion observe methodology. The observe analyzed the consequences of banks mergers and their bulletins at the costs of stocks, in Europe. Evidence right here helps that vast cumulative unusual returns had been quick lived for the acquirers. Evidence of extra returns after the merger assertion become additionally discovered alongside the leakage of statistics that resulted with inside the upward thrust of inventory costs few days earlier than the assertion of merger or acquisition. At the equal time, the effects of cumulative unusual returns confirmed that focus on banks earned unusual returns at the merger assertion day.

Conclusion

Mergers & Acquisitions (M&A) has become the most important strategic element driving business growth and excellence. Mergers and acquisitions will continue to be an ever-present characteristic of the modern corporate landscape. Merger and acquisition (M&A) bring together different sets of people, processes and technologies with the common objective of creating a larger, unified organization. The organization aims to benefit from the synergies of merging organizations by consolidation, rationalization and integration of the people, processes and technologies of both organizations. Human Resources (HR) has the potential to play an important role during all stages of M&A. However, these issues are rarely considered until serious difficulties arise. The Human Resource dimension of M&A should be accorded the same emphasis and attention given financial, legal, operational and strategic concerns. HR no longer plays a dormant role and is emerging as a strategic business partner where key initiatives undertaken such as communication, training, counseling, career planning, support workshops, building trust, coaching and compensation planning, have significant business impact.

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IMPACT AND ANALYSIS OF MERGER AND ACQUISITION ON EMPLOYEE ENGAGEMENT

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Abstract:- Extending the theories of employee incentives and inalienability of human capital, we look into the relationship between a firm's engagement in employee issues and the returns to shareholders about mergers and acquisitions (M&As). We discover that stronger employee-engagement particularly in phrases of financial benefits, with the aid of using the obtaining company is definitely associated with shareholder returns in home deals, however this tremendous impact is attenuated in cross-border deals, while team of workers diversity, training and development, or fitness and protection do now no longer have an effect on shareholder value. During an approaching the team of workers can also additionally all of sudden experience disengaged ensuing in absenteeism or employees quitting their jobs. When M&A takes place there are extract numerous consequences for employees like stress, Job loss, competitiveness and disengagement. The present research conducted based on primary data related to Demographic Variables, Working Environment, Compensation & Benefits and Career Growth & Advancement. The primary data collected with various factors from 62 respondents by using convenient sampling techniques. For this analysis purpose, the Simple Percentage and Descriptive Statistics applied and the data are analyzed.

Keywords—: Mergers and Acquisitions, Employee Engagement, Employee Stress and Working Environment.

I. INTRODUCTION

The author of this research will explore the significance of employee engagement and become aware of the function of Human Resource professionals in retaining employee engagement for the duration of mergers and acquisitions. Hereafter the researcher will discuss with mergers & acquisitions as M&A. A purpose of this research is to observe if the involvement of HR professionals from the start making plans degrees of mergers and acquisitions contributes to the achievement of those considerable alternate initiatives. A further purpose of this research is to make recommendations for HR professionals to go after in order to maintain employee engagement levels during M&As. Organizations that enjoy global opposition with a purpose to live on were compelled to make operational adjustments. Ideally, mergers should set off accessible operations and have a similar culture. However, frequently cultural styles of conduct may be damaged while a merger or acquisition takes place which could create unsure operating surroundings for employees.

For the past years, if asked leaders of large organizations to express their ideal traditions, you would hear the word "employee engagement" in their response as a step toward a better culture at work environment. Employee engagement (EE) has generated a great deal of interest in the past two decades because of its significant impact on organizational performance. In this research work, the major aim to explore the influence of change management on employee engagement factors with employee satisfaction.

II. REVIEW OF LITERATURE

Louis Babu & Chandra Mohan (2020)¹, explored and stated that employee engagement advantages to the business have been exhibited in numerous examinations. Connected with employees will be working more enthusiastically than others, would be energetic entertainers of their positions and give the additional exertion for the association. They will be dynamic and give the best outcomes to the business. Consequently, study the variables that affect representative commitment, and Organizational Culture supposedly has a significant effect on how the workers feel drew in about the work. Consequently, this investigation is

centered around Culture and its impact on representative commitment. Further, the segment of human exertion is more in a help association when contrasted with an assembling association, thus the impact of Employee commitment will be quickly felt by the business. Henceforth the center was additionally examining the effect of culture on worker commitment in the accommodation industry, explicitly in a lodging. The investigation adopted a distinct strategy to comprehend the social variables to recognize the main parts of culture that sway Employee commitment and has come out with a model of the effect that had been approved with an overview instrument. Investigation of the gathered information uncovers that the elements, Communication, cooperation, individual articulation, and regard for partners had acquired the greatest consideration of the administration, whereas criticism and client-centered quality had been given lower consideration, which is discovered to be significant for compelling representative commitment. The examination reasons that however the administration has zeroed in on a very much imparted culture, the way of life additionally needs to zero in on client center and input to improve with the business.

Daniel Cross (2019)², the paper tried to determine the impacts of association empowering influence on the development and survey the idea of the connection between the board change and authoritative adequacy. The wellsprings of information for the investigation were essential and auxiliary. Change Management is likewise used to characterize the way toward following the adjustment of the robotized framework, logging best practices, or framework redesigns. The auxiliary wellspring of the information age, which contains the utilization of course readings composed by various writers on the topic, diaries, magazines, data from the web, and other distributed and unpublished materials appropriate to the work. The investigation presumes that change is inescapable and supervisors everywhere in the world are adjusting to changing economic situations and simultaneously confronting the requirement for making a proactive instead of a receptive administrative framework.

Kour & Kaur, (2018)³, investigated that the major issue among the employees of the merged banks was the threat of job loss and increased stress since the employees are facing issues getting along with the new working environment. Employees need to tackle with mental health issues and stressful life. It was also found that the employees were opting for leaving the organization due to increased stress. Several factors responsible for increased stress level were changed job structure, post merger integration, shifted working hours, increased expectations, changed procedure and policies.

(Sharma, 2015)⁴, explored the problems related to the increase in employee stress in the merged organization. He observed that the mergers of the firms put the employees in the stressful situation, which duly affects the behavior and attitude of the staff and ultimately hampers the productivity as well. He explored several factors responsible for stress such as threat of job loss, changes in power and status, working hours, insecurity, changed working hours, workload, uncertainty. Proper management committee should be developed for taking decisions related to assigning jobs and responsibilities to the staff keeping in concern about their comfort zones and their job type. Stress management programme can be arranged to help employees tackle their anxieties and improve their performances

Bedarkar and Pandita (2014)⁵, Organizations and their employees have their own goals; both rely on the other to meet them. If employees are not given the perfect work-life, their disengagement sense toward the workplace tends to be stimulated and fails to achieve the organizational goals. Organizations should not deal with employee engagement as a one-time activity, but to well integrate such concept in its culture and more particularly during the organizational change such as in merger situation.

(Georgiades & Georgiades, 2014)⁶, in their study explored the impact of acquisition on the staff of acquired organization. It concluded that the fear of takeover created a negative impact on the motivation and morale. The threat of survival lead to stress and anxiety. The staff felt difficulty to get comfortable with the new working conditions with new technology and methods, which created huge amount of stress. Also it was found that the during the merger and acquisitions procedure the ownership change was the biggest fear itself that was a building block for stress and insecurity.

Simeon (2011)⁷, investigated that the concept of employee engagement is attracting a lot of attention in recent times from researchers and HR business leaders in industry. Employee engagement has evolved from other concepts such as motivation, empowerment, organisational commitment, trust and job satisfaction.

Hayward (2010)⁸, has studied the engaged workforce is one where everyone is aligned with the strategic priorities of the organisation and where employees' energy and focus are directed towards the organisation and values.

(Wallace & Tnka, 2009)⁹, indicated that the clarify expectations regarding performance, provide frequent feedback, encourage, support, give praise, show interest in employees accomplishments, ask questions that make employees think for themselves, share personal insights, show appreciation and make suggestions A coach should never point out faults or disapprove managers need to be provided with training so they can learn how to be effective coaches and therefore enhance their employees' engagement levels generally and particularly during mergers and acquisitions.

(Hutchings & De Cieri, 2007)¹⁰, Organizations must consider the financial aspects such as the impact of costs, revenue and profits. They must also consider the impact on structures, systems and processes Often this is where the biggest impact is. In

terms of process and systems, separating internet programmes such as either integrating or separating the website or intranet can be an ordeal and very costly. As can changing structures such as payroll systems, IT services hardware. Companies must learn from past efforts and the mistakes of other organisations. Learning from past experience provides competitive advantage. Companies who have systematic approaches to deal making are generally more successful than those who do not. The recognition and attention to human capital and the many people issues that arise during M&A also contributes massively to its success.

Objectives of the study

1. To evaluate the impact of demographic profiles on employee engagement.
2. To explore the influence of change management on employee engagement factors.

Limitations of the study

- ❖ Personal bias of the respondents may affect the results of the study.
- ❖ The findings cannot be generalized to the entire universe.

III. METHODOLOGY

The present research work conducted based on primary as well as secondary data.. The primary data are collected from the selected 62 respondents by using convenient sampling techniques related to Demographic Variables, Working Environment, Compensation & Benefits and Career Growth & Advancement. The questionnaire had prepared and distributed to all the respondents and then the filled questionnaire data was collected. Then all the questionnaire data’s were pooled together and analyzed by using the Simple Percentage and Descriptive Statistical tool analysis in Likert's five-point scale and obtained the following results .Then the final data results were noted and discussed.

IV. DATA ANALYSIS AND INTERPRETATION

In this section the researcher interested to analyze the primary data responses obtained from respondents of M&A. Organizations to determine the employee engagement activities like Demographic Variables, Working Environment, Compensation & Benefits and Career Growth & Advancement using the techniques of Simple Percentage Analysis and Descriptive Statistical analysis. The test results are obtained and then final data results are interpreted.

1. Simple Percentage Analysis- Demographic Variables

The Simple Percentage Analysis is used to identify the demographic variables of respondent’ results are shown in the table 1.

Table – I: Demographic Variables

Factors	Options	Respondents	Percentage
Gender	Male	51	82
	Female	11	18
	Total	62	100
Marital Status	Married	54	87
	Unmarried	8	13
	Total	62	100
Educational Qualification	UG	49	79
	PG	5	8
	Professional	8	13
	Total	62	100

Source: primary data

Out of 62 respondents, the majority 82% of the respondents are male, 87% of the respondents are married and 79 % of the respondents completed their under graduate.

2. Descriptive Statistical analysis

2.1 .Working Environment

The Working Environment factor results are shown in the table -II

Table – II : Working Environment

Factors	Mean	Std. Deviation
Changes	4.39	.993
Treated Fairly	4.45	.922
Never a Pressure	4.42	1.005
Work Policies	4.40	1.036
New Environment	4.49	.909

Source: primary data

The working environment construct is intellectualized, in this study, is to excerpt the data related to the working environment under employee engagement. The term workplace is utilized to depict the encompassing conditions where a worker works. The workplace can be made out of states of being like office temperature, or gear, like PCs. It can likewise be identified with components, for example, work cycles or strategies. The construct is measured by 5 items and was measured using a 5-point Likert scale. The results in table -2 show that the means for the items related to the working environment range between 4.39 (0.993) and 4.49 (0.909) for the study sample. The results indicated that the majority of the respondents agree that the working environment activities are highly satisfied after the merger & acquisition made in their respective organizations.

2.2 Compensation & Benefits

The Compensation & Benefit factor results are shown in the table -III.

Table – III: Compensation & Benefits

Factors	Mean	Std. Deviation
Reward	4.48	.937
Retirement Plans	4.56	.899
Training	4.47	.962
Secured Job	4.42	1.042

Source: primary data

The compensation & benefits construct is intellectualized, in this study, is to excerpt the data related to compensation & benefits under employee engagement. Compensation might be characterized as cash got in the execution of work and numerous sorts of administrations and advantages that an association gives to their representatives in the form of Retirement Plan, Training and Secured Jobs. Remuneration is a methodical methodology of offering financial benefit to representatives in return for work performed. From the above table-iii reveals that, the means for the items related to compensation & benefits range between 4.42 (1.042) and 4.56 (0.899) for the study sample. The results indicated that the majority of the respondents agree

that the compensation & benefits activities are highly satisfied after the merger & acquisition made in their respective organizations.

2.3 Career Growth & Advancement

The Career Growth and Advancement factor results are shown in the table IV.

Table – IV: Career Growth & Advancement

Factors	Mean	Std. Deviation
Promotion	4.48	.979
Progress Job	4.36	1.094
Professional Development	4.36	1.089
Continue Career	4.44	1.022
Job Satisfaction	4.30	1.134

Source: primary data

The career growth and advancement construct is intellectualized, in this study, is to excerpt the data related to career growth & advancement under employee engagement. Profession advancement includes those individual upgrades that an individual embraces to accomplish an individual career plan and Job Satisfaction. Profession the executives is the way toward planning and carrying out objectives, plans, and techniques to empower the association, to fulfill worker needs while permitting people to accomplish their career objectives. The results in table -iv reveals that the means for the items related to career growth & advancement range between 4.30 (1.134) and 4.48 (0.979) for the study sample. The results indicated that the majority of the respondents agree that the career growth & advancement activities are highly satisfied after the merger & acquisition made in their respective organizations.

V. FINDINGS AND CONCLUSION

FINDINGS

- The results indicated that the majority of the respondents agree that the working environment and compensation & benefits activities are highly satisfied after the merger & acquisition made in their respective organizations.
- The majority of the respondents agree that the career growth & advancement activities are highly satisfied after the merger & acquisition made in their respective organizations.

CONCLUSION

It is concluded from the research results, that the selected respondents agree that the working environment, compensation & benefits and career growth & advancement activities are highly satisfied after the merger & acquisition made in their respective organizations. In many merger & acquisition deals, success hinges on maintaining high levels of employee engagement and retention through each phase of the transaction - from deal announcement and close all the way through integration planning and implementation. An organization, which possesses engaged employees, can outperform its competition. However, without employee engagement two organizations merging cannot hope to align its people with the goals and objectives they set. Employee engagement is crucial for successful execution of strategy and ultimately a successful M &A. It is revealed also that open and honest communication makes employees more trusting of its leadership. It is to be noted

that, if an organization has a strong and integrated culture, employees will be more devoted and work harder to ensure that the organization achieves its goals.

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A Study on Effects of Merger and Acquisition on Employee Morale

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Abstract: *With a view to the profitability in their businesses, maximum mergers have located their recognition on financial and political uncertainty, at the same time as ignoring employee morale and health at some stage in the system of transition. Human capital is frequently unnoticed at some stage in and after a merger. It is essential to make certain that employee morale is maintained as encouraged employees make certain productivity that is crucial to the organization's fulfillment following the merger and acquisition system. This paper intends to illustrate how employee morale is essential to the fulfillment of mergers in contemporary-day world. Most mergers or acquisitions bring about dropping key employees, thereby affecting the newly-fashioned company's preferred boom strategy. The retention of key employees is an growing issue of employers. Mergers and acquisitions consequently forget about employee morale at their personal peril. Generally, businesses that merge or which can be received base their fulfillment at the functionality of the concerned employees. This guarantees the company's fulfillment in its ventures going forward. The right control of employees at some stage in a merger outcomes in most beneficial productivity. The present research conducted based on primary data related to Demographic Variables, Personal Satisfaction, Appreciation and Social Status. The primary data collected with various factors from 70 respondents by using convenient sampling techniques. For this analysis purpose, the Simple Percentage Analysis, Anova Techniques applied and the data are analyzed.*

Keywords: Mergers and Acquisitions, Culture, Work Environment, Job Satisfaction, Employee Morale.

1. Introduction

Mergers and acquisitions were crucial equipment of company boom and feature grow to be an appealing method with the aid of using which to develop an enterprise. Over 50% of business acquisitions failed as measured with the aid of using an boom in shareholder value and further research discovered that the human capital detail affects extra so than the economic factoring most of the root reasons of merger and acquisition failure. As researchers constricted their recognition at the troubles surrounding the human capital effect on M&A achievement, new data is being advanced within side the place of employee morale and turnover purpose and the effect those elements have on employees' dedication to the brand new organization. Exploring how an acquisition affects the employees of the received organization is contributory to an knowledge of ways human capital affects the achievement or failure of the acquisition.

With the improved M&A pastime over the last years there were increasingly more research performed which have checked out received employees' reactions to a merger or acquisition using diverse

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complementary lenses. This study recognized an added lens through which the idea of employee dedication can be considered as a pivotal issue of employee morale and turnover purpose. In this research work, the major aim to explore the work place environment and job satisfaction on employee morale.

2. REVIEW OF LITERATURE

Farjana et al (2021)¹, investigated that the connections and morale levels among workers and administrators in an enormous service industry. An open-ended questionnaire created based on literature was made to survey assurance and inspiration, support, impetus, work environment climate, method of inspiration, and occupation fulfillment. The review was managed to utilize an online overview device and replied by an example of 44 respondents. Helpless worker resolves and negative mentalities toward their positions were accounted for. Impacting factors included negligible compensation and hours, absence of inspiration, understaffed and incompetent work, high actual responsibility, and helpless oversight. Supervisor input showed representatives had an absence of comprehension of organization mission and vision yet, in addition, exhibited an expected detach at the specialist and administrator levels. Potential mediations, for example, expanding representative director association, advancing acceptable conduct, offering non-financial advantages, preparing, wage rate and worker choice consistency, work upgrade, and so on were prescribed to the board for execution to work on existing conditions.

Aiswarya & Velmurugan (2020)², has studied the morale as a worker's standpoint toward various partners of a substance. Worker confidence is a mental situation concerning satisfaction, balance, and goal. Subsequently, it very well may be saying that the presentation of an association relies upon an assurance of representatives. In specific cases, worker assurance is viewed as a gathering marvel and mentality as an individual wonder. The present examination covered the variables which are affecting the resolve of representatives and attempted to build up the connection between worker morale and mentality. The investigation has led to an example review among Assistant Professors of Self-financing Colleges in Thiruvananthapuram and Kollam District. The investigation found that resources of self-financing college think that it's hard to change with the working hours and Working conditions and they are working in the current status of the derisory arrangement of Job Security, Safety and government assistance. The study likewise shows that the greater part of oneself financing universities resources were not getting adequate compensation and substantial responsibility is fundamentally impacting their resolve.

Cindy Kangetta and Margaret Kirai (2017)³, explored that the study on effect of Merger on employee morale in insurance company and found that merger has greater impact on employee morale it was also found that there is a strong relationship between work environment and job satisfaction of employees.

Chinta Mani Gautam (2016)⁴, has compared employee job satisfaction before and after merger and measured association of employee satisfaction with merger and the result revealed that employee issues are most important and if not handled properly it will lead to dissatisfaction among employees.

Tripti Vijaywargia (2016)⁵, has studied the impact of merger and acquisition on employee job motivation and job satisfaction, psychological and behavioral impact and the result witnessed unsatisfying level of job security and motivation among workers post-merger and acquisition.

Mira Bekenova (2015)⁶, explored that the main evidence of a merger success is the satisfaction of the employees of a merged company and to identify the reasons of merger in higher education sector and also find its motives, benefits and consequences.

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(Sharma, 2015)⁷, explored the problems related to the increase in employee stress in the merged organization. He observed that the mergers of the firms put the employees in the stressful situation, which duly affects the behavior and attitude of the staff and ultimately hampers the productivity as well. He explored several factors responsible for stress such as threat of job loss, changes in power and status, working hours, insecurity, changed working hours, workload, uncertainty. Proper management committee should be developed for taking decisions related to assigning jobs and responsibilities to the staff keeping in concern about their comfort zones and their job type. Stress management programme can be arranged to help employees tackle their anxieties and improve their performances.

Plemons (2014)⁸, investigated that the companies to discover subject matters among maintain staff in decided on Registrar's Offices within side the Southeastern region of the United States. The researcher requested contributors to speak about their perceptions on recent morale stages within side the workplace and the way unique farm duties have an effect on morale. Since the Office of the Registrar is prime to the institution, the researcher additionally requested contributors how the workplace's perceived morale affected the achievement of the workplace's mission.

Islam, Mohajan & Datta, (2011)⁹, carried out a study of the economic banks in Bangladesh. The have a look at decided that morale and activity pleasure performs a essential position in universal overall performance of the employees within side the workplace. The have a look at additionally decided that social status, supportive colleagues and feeling stable approximately the activity have been the top high-quality motives for operating within side the banks. It became additionally decided that pay, selection making authority, and promotional coverage have been the top priorities for enhancing the work environment.

Mah, Okechukwu E,(2009)¹⁰, investigated that the job satisfaction has a direct negative relationship with turnover intention. These effects suggest that the effect of job satisfaction on turnover can be more effective in ways; particularly while employees find out congruence amongst their work and their self – identification and while involvement in such jobs enhances their living satisfaction. These research monitor the significance of the research. The element of universal lifestyles enjoyment became now no longer taken into consideration on this research.

Objectives of the Study

1. To find out the effects of work place environment on employee morale after mergers and acquisitions.
2. To analyze the effects of job satisfaction on employee morale after mergers and acquisition

3. METHODOLOGY

The present research work conducted based on primary as well as secondary data. The primary data are collected from the selected 70 respondents by using convenient sampling techniques related to Demographic Variables, Personal Satisfaction, Appreciation and Social Status. The questionnaire had prepared and distributed to all the respondents and then the filled questionnaire data was collected. Then questionnaire had analyzed by using the Simple Percentage, Descriptive analysis in Likert's five-point scale and Anova- single factor analysis are obtained the following results .Then the final results were noted and discussed.

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4. DATA ANALYSIS AND INTERPRETATION

In this section the researcher interested to analyze the primary data responses obtained from respondents of M&A. Organizations to determine the employee morale activities like Demographic Variables, Personal Satisfaction, Appreciation and Social Status using the Simple Percentage and Anova Techniques analysis and also the test results are obtained and then final data results are interpreted.

4.1. Simple Percentage Analysis- Demographic Variables

The Simple Percentage Analysis is used to identify the demographic variables of respondent' results are shown in the table 1 and figure 1

Table 1.: Demographic Variables

Factors	Options	Respondents	Percentage
Gender	Male	61	87
	Female	9	13
	Total	70	100
Educational Qualification	UG	55	79
	PG	8	11
	Professional	7	10
	Total	70	100

Source: primary data

Out of 70 respondents, the majority 87% of the respondents are male and 79 % of the respondents completed their under graduate.

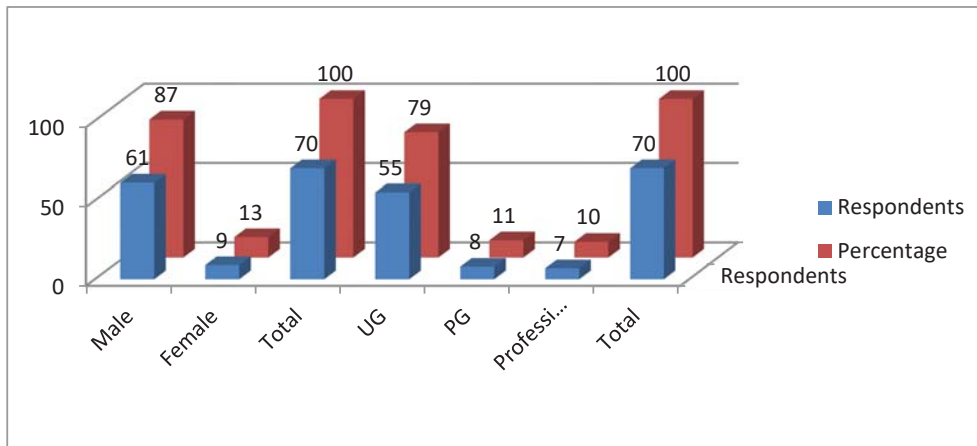


Figure 1.: Demographic Variables of Respondents

4.2. Descriptive Statistical analysis

4.2.1 Employee Morale – Personal Satisfaction

The Personal Satisfaction related factor results are shown in the table -2

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Table .2 -Personal Satisfaction

Personal Satisfaction factors	Mean	Std. Deviation
Good Place	4.36	1.094
Accomplishment	4.36	1.089
Information	4.44	1.022
Opportunities	4.30	1.134
Valued	3.57	1.512

The personal satisfaction construct is intellectualized, in this study, is to excerpt the data related to personal satisfaction under employee morale. An emotional assessment, judgment, or mentality communicated by a person regarding the achievement of specific objectives or requirements dependent on his degree of yearning or assumption.

The construct is measured by 5 items and was measured using a 5-point Likert scale. The results in table 4.2.13 show that the means for the items related to personal satisfaction range between 4.44 (1.022) and 3.57 (1.512) for the study sample. The results indicated that the majority of the respondents agree that the personal satisfaction activities are highly satisfied after the merger & acquisition made in their respective organizations.

4.2.2 Employee Morale – Appreciation

The Appreciation related factor results are shown in the table -3

Table .3 – Appreciation Factors

Appreciation factors	Mean	Std. Deviation
Part of the team	3.57	1.503
Recognized	3.68	1.459
Appreciated	3.61	1.484
Opportunity	3.49	1.538
Praise	4.35	1.053

The appreciation construct is intellectualized, in this study, is to excerpt the data related to appreciation under employee morale. Examination shows that workmanship in the work environment diminishes pressure, builds imagination and usefulness, improves responsibility, widens representative enthusiasm for variety, and empowers conversations. The appreciation showed upholds and affirms the organization's picture and corporate personality. The results in table 4.2.14 show that the means for the

items related to appreciation range between 4.35(1.053) and 3.49 (1.538) for the study sample. The results indicated that the majority of the respondents agree that the appreciation activities are highly satisfied after the merger & acquisition made in their respective organizations.

4.2.3 Employee Morale – Social Status

The Social status related factor results are shown in the table -4

Table .4 - Social Status Factors

Social Status Factors	Mean	Std. Deviation
Proud Feeling	4.32	1.115
Proud to be Part	4.33	1.113
Enjoy Team Members	4.39	1.060
Aspect	4.32	1.060
Personal Value	4.27	1.101
Involvement	4.34	1.107

The social status construct is intellectualized, in this study, is to excerpt the data related to social status under employee morale. The societal position identifies with the eminence, regard, and regard that supervisors and representatives get from their partners, subordinates, and bosses. Leaders and directors will profit with higher economic wellbeing than forefront workers as a result of their situation at a higher crosspiece of the notorious stepping stool. The social status factors was measured by using a 5-point Likert scale. The results in table 4 show that the means for the items related to social status range between 4.39(1.060) and 4.27 (1.101) for the study sample. The results indicated that the majority of the respondents agree that the social status activities are highly satisfied after the merger & acquisition made in their respective organizations.

4.3 Statistical analysis of employee morale - One-way ANOVA method

Analysis of variance (ANOVA) technique is used in lots of fields to keep in mind the connection among experimental elements (unbiased variables) and responses. The method is primarily based totally on using sums of squares and the deviation of observations from their respective approach. ANOVA plays speculation checks of importance to decide whether or not factor(s) affect the final results of an experiments. One-Way ANOVA ("evaluation of variance") compares the approach of or greater unbiased companies so as to decide whether or not there's statistical proof that the related populace approach are considerably different.

The one-manner ANOVA take a look at permits us to decide whether or not there's a big distinction in the imply distances thrown through every of the companies. The worker morale associated elements had been statistically analyzed through Anova: Single Factor and the effects are proven with inside the table - 5

.Table .5 - Employee **Morale** Statistical Analysis

Anova: Single Factor

SUMMARY

<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>
Column1 (PERSONAL SATISFACTION)	5	21.03	4.206	0.12888
Column 2 (APPRECIATION)	5	18.7	3.74	0.121
Column 3 (SOCIAL STATUS)	5	21.63	4.326	0.00183

ANOVA

Source of

Variation	SS	df	MS	F	P-value	F crit
Between Groups	0.958253	2	0.479127	5.71046	0.018091*	3.885294
Within Groups	1.00684	12	0.083903			
Total	1.965093	14				

The ANOVA p values suggested in formidable font with an asterisk (*) are much less than 0.05 and significant that a big courting exists among the experimental factor(s) private satisfaction, appreciation and social status It is located that the mentioned elements of morale of employees become greater statistically higher and F- ratio also proves the significant and additionally it affords the bottom p-value for all mentioned factors.

5. CONCLUSION

It is concluded from the research results, that the Merger is the valuable tool for the growth and development of the organization. Mergers and Acquisitions is widely used strategy throughout the world to strengthen their market position it is one of the means to enter into market and incorporate resource and create synergy but at the same time this sort of merger has the potential to create stress and strain in the workforce due to heavy workload, new superiors/ colleagues and change in the system. Many Mergers fail due to negligence towards human resource, there is a need for the management to address various issues with respect to human resource in the organisation such as employee morale, employee satisfaction level, and their performance level after merger take place. The ANOVA one way factor analysis of p values suggested in formidable font with an asterisk (*) are much less than 0.05 and significant that a big courting exists among the experimental factor(s) private satisfaction, appreciation and social status .The study focuses on the carrying few parameters and the findings of the study revealed that there is a strong association between workload, working relationship, autonomy and decision making, professional development and recognition, regard and respect with the employee morale.

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