

An Empirical Study of the Mergers and Acquisitions impact on Work Culture in Indian Banking Sector

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Abstract

The economic reforms has brought tremendous changes in Indian economy. Year 1992 has given birth to a new economic set up in India. Mergers and Acquisitions deals is now becoming frequent in many sectors of Indian economy. The growing concern for mergers and acquisitions have always been discussed widely on economic and financial forums. The motives of such deals are around the zeal of financial motives while the human element is generally least talked about. Many companies are still reaping the benefits of this. Therefore this research study has tried to analyse mergers & acquisitions impact on work culture. A case study of State Bank of India & State Bank of Indore merger has been considered under a Pre & Post merger conditions at work. It has been observed that State Bank of Indore employee felt significant changes in work culture after merged in State Bank of India.

JEL Code : G21; G34; M14; M48; O15

Keywords : Work Culture; Banks; Human Resource; Mergers; Acquisitions; Employee's efficiency; India

I. Introduction

THE ECONOMIC REFORMS has brought tremendous changes in Indian economy. Year 1992 has given birth to a new economic set up in India. Such reforms in banking sector has absolutely transfigure the Indian banking structure. It has given raise to increased economic and social development. On the other hand many challenges are also arising, To face these challenges, Banking operations, has devised to face the competition like Branch expansion, Movement in rural areas, Quality services, Customers Orientation. Mergers and acquisitions is one among many challenges which are significantly contributing in the development of Indian Banks. They affect efficiency of

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deal success. The strong emergence of banking sector in Indian economy, banks role cannot be dealt inattentive. Fast deals of M&A in Indian banks has a deep impact on employees and banks financial efficiency. Therefore human aspects is crucial for the determining the effect of such deals.

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