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Effects Of Post-Merger On Employee Performance In Nepalese Commercial Banks

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ABSTRACT
The mergers and acquisitions activities in the banking industry of Nepal have significantly impacted employee productivity and satisfaction due to government-led reduction in the size of the banking industry. Employee performance is the main dependent variable in this study, and the study intends to assess the impact of work culture, training and performance evaluation, compensation and allowances, and transfer/promotion on the dependent variable. The study uses the descriptive-analytical research design and employs a sample of 224 employees from 31 branches of the bank. Purposive and convenience sampling methods are used in the study. Primary data are obtained through a 31-item Likert scale questionnaire conducted in November 2025. Analytical findings show a positive correlation between the four independent variables and employee performance. Three of the independent variables, namely training and performance evaluation, pay and allowances, and transfer/promotion, show statistical significance at 0.05 level. It is interesting to note that the work culture variable does not show statistical significance but shows a positive coefficient in the regression model. The whole model explains 69.9% of the variance in employee performance. Furthermore, in order to improve organizational resilience, salary and job promotion policies should be implemented equally.

Keywords: Employee performance, Mergers and acquisitions, Performance appraisal, Nepalese Commercial banks..

INTRODUCTION:

In the world of business today, companies are constantly looking at ways to become more sustainable and to compete with the hyper competitive market, and one such way is through mergers and acquisitions (M&A). The Nepalese financial system has been witnessing a remarkable trend of M&As in the past ten years, especially since the Nepal Rastra Bank (NRB) embarked on a strategic mission of reducing the banking and financial sector to make it competitive in the local market (Adhikari, 2022). Although acquisitions are frequently described as aggressive forms of growth, mergers are described as a friendly growth where both the companies agree to merge (Ross et al., 2003; Firer et al., 2004). With the increasing complexity of these integrations, the planning of information and communication technology has also become an important prerequisite for the benefits of organizational synergy (Bakare, 2016).

The life after a merger, however, is full of challenges and it is easy for them to compromise the stability of the organization. One of the major issues is the “mysticism” that shrouds the process of an M&A deal, as it is often handled by the top-level executives and not the workforce, causing major misunderstandings about job roles and cultural assimilation (Gautam, 2022). These structural changes require challenging discussions with workers and their families about employment, power and the distribution of work (Joshi & Goyal, 2012). Moreover, the effectiveness of any organization depends on the behaviors and decisions made by the employees, but the psychological stressors experienced by employees during transitions are often neglected (Berdin, 2006). Therefore, the importance of the different organizational factors must be identified, as in the banking sector, there are a lot of determinants that influence employee performance that need to be managed for retention (Rai et al., 2020). In the past, the need for merger bylaws in Nepal was driven by a saturated market, but some mergers were made under consensual circumstances which raised doubts about the long-term consequences of the mergers made on the market itself (Shrestha et al., 2017).

While some empirical evidence about the performance of post-merger firms exists, it is still mixed and complicated. In particular, Yeh and Yasuo (2000) found that stock market reaction to the announcement of an M&A is generally positive but the trend in profitability following the merger is generally negative relative to pre-merger profitability. Likewise, a study of the Greek banking system has found that the mergers may be associated with positive performance in terms of profitability, but may have negative consequences on the liquidity ratio, the operating efficiency ratio (Mylonidis & Kelnikola, 2005). Research in India also shows that unless there is a strong financial synergy, asset turnover and solvency do not necessarily improve as a result of mergers (Kumar 2009). Therefore, compensation strategies play an important role as giving employees incentives will have a great impact on organizational performance after their merger (Wangui & Were, 2014). Similarly, Stahl and Voigt (2004) described a critical view of the role organizational culture plays in mergers and acquisitions (M&A). The relationship between cultural differences and post-merger performance is – as they put it – "less straightforward" than many OB theories would have it. In particular, their research suggests that a change in the workplace culture does not automatically result in a change in employee performance. This is in contrast to other research that assumes that a positive relationship exists between a supportive work culture and greater employee motivation or engagement.

Besides, strategic employee transfers will boost the performance when they are conducted with the aim of augmenting the competence and knowledge of the institution (Mandasari et al., 2017). In Nepalese context, M&As have been considered as a disciplinary measure for the management of liquidity, and strengthening the capital base of financial institutions (Shrestha, 2019). Nowadays, the trend of managerial coaching has been established as an organizational development tool that can help to enhance role clarity and job satisfaction over time (Stone, 2022). The modern approaches proposed that the main factor behind the outcomes of the employees in these contexts are the culture of working, training and promotion (Lamsal, 2023).

The post-merger effects of the commercial banks in Nepal were studied by Thapa and Shrestha (2025) and it was found that effective integration, communication and job security were important factors for employees' satisfaction in the commercial banks which eventually led to improvement in employee performance. Uncertainty and poor management during mergers can lead to a decrease in morale and productivity, as the study showed. Likewise, Goswami and Mahapatra (2026) had studied the performance of PSU banks after merger and found out that mergers can lead to improved employee efficiency and productivity because of better utilization of resources and restructuring of the organization in Indian PSU banks. But the study highlighted the importance of the right implementation methods, such as training, clarifying roles, and aligning systems, for positive outcomes. Overall, both studies suggest that successful post-merger management plays a crucial role in improving bank employees' performance.

The literature shows that although mergers and acquisitions are aimed at increasing the efficiency of finances and operation, the final success of such actions largely relies on the consideration of the issues of human factors such as employee satisfaction, cultural integration, and efficient compensation policies. Moreover, recent studies also mention that implementation of the AI can be highly effective to streamline the work of employees and other data-driven reviews, though organizations should set the ethical frameworks and strong leadership to restrain the fears related to employee security and privacy of data.

The current research is focused on studying the correlations between a number of important variables, including work culture, employee training, performance appraisal of employees, remuneration and incentives, and transfers and promotions of employees, and analyzing their impact on the performance of employees. These aspects are crucial for comprehending the factors determining the results achieved by employees within organizations. Numerous studies have proven that training, employee engagement, and organizational culture have a considerable impact on performance due to increased motivation and efficiency. In addition, remuneration and benefits are extremely important for motivating employees and increasing productivity.

Research Methods

This research study is an attempt to quantify the performance of the employees following the merger and acquisition. In order to undertake this research, a descriptive, as well as analytical research design has been utilized. The study was targeted at all employees in the commercial banks of Nepal. A sample size of 240 employees was selected to represent the population. Questionnaires were given to all the 240 respondents; 224 participants completed them, and the response rate was high, 93.33. Such a high response rate shows that the data that is obtained is representative and can be used to analyze the objectives of the research. The strong involvement makes the findings valid and helps to transfer the findings to the larger group of employees in the commercial banking industry of Nepal. In that study, a sample of 212 employees of 31 branches (chosen conveniently) of commercial bank of the 118 branches in Butwal was used in the study. In this research, the convenient sampling technique was used to gather the respondent data. The selection of this approach was informed by the easy accessibility of the data to the researcher and the availability of the commercial banks of Nepal, acting as a representative of the country in terms of their access to investors. The convenience sampling is usually applied with large population and it is possible to select the participants basing on certain criterion and has a diverse and representative sample.

In gathering the data of this study employees of commercial banks of Nepal were distributed with structured questionnaires. The people who made this study used a list of 31 questions to figure out what things affect how well employees do their jobs. They used a kind of rating system for these questions it is called a 5 point Likert scale. This scale goes from agree to strongly disagree. The 31 item opinion statement questionnaire had these questions so people could answer them and the researchers could see what employees think about the factors affecting the performance of employees. These statements were known to measure a dependent variable, and four independent variables: Work culture, Transfer and promotion, Training and performance evaluation, Compensation and benefits. This structured procedure helped to perform a complete analysis of the relationship between these variables and their effects on the employee performance in banking sector.

Primary data was the basis of the study as they offered current and pertinent information on the topic of the study. The responses were collected during fifteen days in

December 2025. Cronbach's Alpha was employed in order to evaluate the credibility of the scaled products. The findings revealed the alpha coefficient of all the variables was between 0.6 and 0.8 which is a reasonable degree of reliability.

The inferential analysis was based on regression, correlation, and hypothesis testing in order to conclude the relationship between variables. Through these statistical approaches, the overall picture of the effect of various factors on employee performance could be gained in the setting of Nepalese commercial banks.

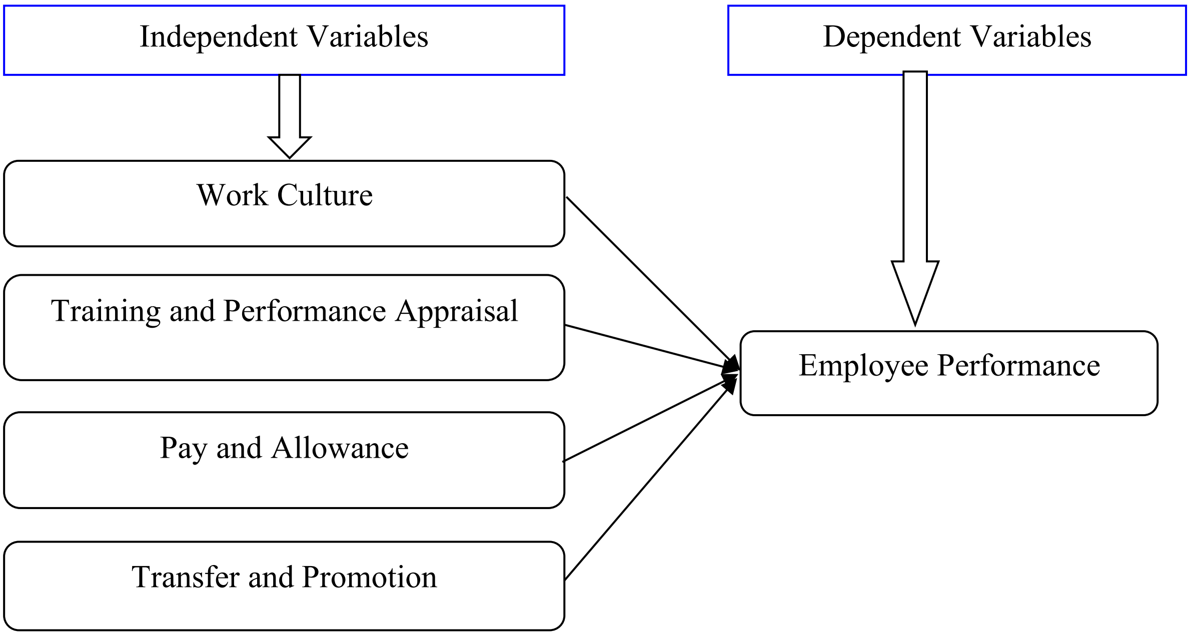

Figure 1. **Conceptual Framework of the Study**

Source: (Lamsal, 2023)

The study looks into four factors influencing employee performance, which include work culture, training and performance appraisal, compensation and allowances, and transfer and promotion. The main emphasis of the study is on assessing employee performance. Previous researches such as Rai et al. (2020) and Thakur & Lamsal (2023) considered similar factors to be influential in determining employee performance in banks. They established that factors such as work culture, training and performance appraisal, compensation and allowances, and transfer and promotion had a significant impact on employee performance. It is from this evidence that the choice of these factors becomes justified in terms of their influence on employee performance.

Hypotheses

To test the factors influencing the performance of employees in banking sector, the study hypothesized the following, according to the conceptual framework:

H1: The work culture is significantly positively related to employee performance.

H2: Training and performance appraisal has a positive impact on employee.

H3: Pay and allowance has a great impact on employee performance.

H4: The practices of transfer/promotion affect the employee performance to a great extent.

RESULT AND DISCUSSION

The results of looking at how we collected our data help us understand how things like the work culture and training of employees affect their performance. We also looked at how things like pay and benefits and the chance to move to a job affect the performance of employees. We used a survey to get our information. We got answers, from 224 people. We looked at the answers to see what they told us about what we were trying to find out which is how these things affect the performance of employees.

Demographic Data

Table 1 gives the profile of the respondents, which probably involves demographic and professional information, like age, gender, job position, years worked, and education. This table assists in realizing the sample properties and their ways of impacting the study results. In case you require certain information on the table, please give the content of the table and I will be happy to help you with it.

Table 1. Respondents' Profile

Respondent's Profile	Specification	Frequency	Percentage
Gender	Male Female	156 68	69.64 30.36
Age	21 to 30 years 31 to 40 years 41 to 50 years	128 74 22	57.14 33.04 09.82
Educational Level	+2 Bachelor's Degree Master's Degree PhD	30 116 78 -	13.39 51.79 34.82 -
Position	Assistant Officer/Supervisor Manager Others	116 68 32 8	51.79 30.36 14.29 03.56
Experience	0 to 5 years 5 to 10 years 10 to 15 years Over 15 years	102 76 26 20	45.54 33.93 11.61 08.92

Source: Field Survey, 2025

The commercial banks that we looked at are made up of a lot of men. 69.64% To be exact. And 30.36% are women. If we look at the age of the people who responded we can see that most of them. 57.14%. Are between 21 and 30 years old. Then there are the people between 31 and 40 years old which's 33.04% and the people between 41 and 50 years old which is 9.82%. This tells us that the workforce is pretty young. Commercial banks have a lot of people working for them. This is a thing because younger people are usually more open to new ideas and can adjust easily. So when commercial banks employees give us information we can trust that it is accurate and this makes the results of our research more trustworthy. Commercial banks and their young workforce are very important, to our research.

The participants of the research were very well educated and a considerable number of them had advanced degrees. Precisely, 13.39% had done +2, 51.79% had a Bachelor Degree, and 34.82% had a Master Degree. This implies that the labor market is mainly made up of highly educated people and those who are mainly holders of the Bachelor's Degrees. This kind of an educational profile might strongly affect their views and interactions with the organizational practices and hence their responses and insights during the study.

Of 224 respondents, 51.79, respondents were working in Assistant Post, 30.36% respondents were working in Officer/Supervisor post, 14.29% respondents were working in Manager post and 3.56% respondents were working in other post. On the same lines, 0-5 years working is included with 45.54% respondents, 5-10 years working included 33.93% respondents, 10-15 years working included 11.61% respondents.

Inferential Statistics

The inferential statistics are procedures that help us make conclusions about a group of people.

We use these procedures based on what we observe in a group. These research methods allow the researcher to make predictions and extrapolate research results on a sample to the wider population where the sample was selected, thus resulting in new knowledge. Through statistical techniques such as correlation analysis, regression analysis, researchers would know what important correlations existed between variables and would approximate how these correlations would be applicable in the larger population. The process aids in discerning the larger trends and patterns that could be used in decision-making and policy making in other areas. Generalizability of the findings of a sample to a population is essential in order to generalize the research results to the context of the study.

Correlation analysis

The table 2 will be used to show the relationship between the performance of the employees and the independent variables that include work culture, training and performance evaluation, compensation and benefits, and transfer and promotion. The performance of the employees will be the dependent variable in question, while work culture, training and performance evaluation, compensation and benefits, and transfer and promotion will be the independent variables affecting the dependent variable. To show the importance of the relationship between these variables, some statistical measures will have to be used, which could include the Pearson correlation coefficient (r), and its associated p-value. Provided one had access to this table, these correlations will be revealed, among other things.

Table 2. *Correlations Analysis*

Variable	Work Culture	Training & Performance Appraisal	Pay and Allowance	Transfer & Promotion
Pearson Correlation	0.498**	0.606**	0.581**	0.592**
Employee Performance	0.000	0.000	0.000	0.000
N	224	224	224	224

** Correlation is significant at the 0.01 level (2-tailed)

Source: Field Survey, 2025

Table 2 contains the Pearson correlation coefficients concerning the factors that can affect employee performance. The factors considered include work culture, training and performance appraisal, compensation and allowances, and transfer and promotion. The purpose is to determine the degree to which the above factors are related to employee performance. The resulting correlation coefficients are 0.498, 0.606, 0.581, and 0.592, respectively. This means that there exists a correlation between each of the factors, including work culture, training and performance appraisal, compensation and allowances, and transfer and promotion, and employee performance. The correlation coefficients are statistically significant at the 1% level, suggesting that the relationships are not by chance. Therefore, better work culture, training and performance appraisal, compensation and allowances, and transfer and promotion may lead to improved employee performance.

Regression Analysis

Regression analysis is a tool that helps us understand how different things affect each other. We use it to look at how things change after two companies merge and how this change affects the people who work at banks in Nepal. We want to know how the work environment and things like training and how employees are evaluated affect how well they do their jobs. We also look at what employees get paid and what kind of benefits they receive, well as how they can move to different positions within the company. Regression analysis helps us figure out how all these different factors interact with each other and how they affect the people who work at the banks. It gives us a picture of how all these things are related to each other and to how well the employees perform at their jobs. Regression analysis is very useful for understanding the relationship between these factors and employee performance in banks, in Nepal. The regression equation may be written down as:

$$\hat{Y} = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e_i$$

Through this method, the impact of each independent variable on the performance of employees can be determined.

Table 3. *Model Summary*

Model	R	R Square	Adjusted R	Std. Error of the Estimate
1	.895[a]	.699	.688	.4930

Predictors: *(Constant), Work culture, Training and performance appraisal, Pay and allowance, Transfer and promotion*.

Metrics from the research summary model reveal the extent to which the regression model can be used to predict the performance of employees. As shown in Table 3 below, the R-squared value is 0.699, which means that 69.9 percent of the variations in employee performance can be predicted using the factors incorporated into the regression model. In total, the factors such as work culture, training and performance appraisal, pay and allowances, and transfer and promotion predict 69.9 percent of the changes in employee performance. This makes the model more meaningful in predicting the performance of employees. Therefore, factors such as work culture, training and performance appraisal, pay and allowances, and transfer and promotion are important predictors of changes in employee performance. According to the results, these factors are useful in predicting the performance variations. The rest of the variance, which amounts to 30.1 percent, cannot be explained by the factors incorporated into the regression model, indicating the existence of other predictors of employee performance apart from those incorporated in the model.

Also, the standard error 0.4930 indicates the deviation of the observed values of employee performance on the predicted values. This measure will provide information on the accuracy of the model predictions which means how close the real values are to the predicted values. On the whole, the model offers a strong paradigm in the interpretation of the correlation between the independent variables and employee performance and also helps to indicate the gaps where supplementary variables could be considered to increase the explanatory power of the model.

Table 4. *ANOVA Test*

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	21.116	4	5.279	20.466	.000[b]
	Residual	21.409	103	.258		
	Total	42.525	107			
a. Dependent Variable: *Employee Performance*						

b. Predictors: *(Constant), Transfer and Promotion, Work Culture, Pay and Allowances, Performance Appraisal*.

The p-value from the ANOVA output is 0.000, which is considerably lower than 0.01. This implies that the regression model is useful in predicting the relationship between employee performance and work culture, training and performance appraisal, pay and allowance transfer, and promotion. The model reveals the relationships among the variables under study and employee performance. From the output, it is evident that the regression model effectively represents the relationship between employee performance and work culture, training and performance appraisal, pay and allowance transfer, and promotion. The analysis shows that the independent variables explain a considerable amount of the variance in employee performance. Therefore, it can be concluded that the model represents the above relationships in terms of proximity, implying that the independent variables affect employee performance.

Table 5. *The Regression Coefficients*

	Coefficients[a]				
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	.095	.278		.342	.000
Work Culture	.163	.095	.164	1.708	.014
Performance Appraisal	.271	.126	.244	2.155	.000
Pay and Allowances	.226	.098	.239	2.310	.016
Transfer and Promotion	.274	.135	.221	2.036	.001
a. Dependent Variable: *Employee Performance*					

Table 5 displays the results; the following model has been developed.

$\hat{Y} = 0.095 + 0.163X_1 + 0.271X_2 + 0.226X_3 + 0.274X_4 + e_i$

Beta coefficients helped us figure out how important each independent variable is in explaining employee performance. We used them in the regression analysis to see how much each variable affects the outcome, which's employee performance. The beta coefficients showed us which variables have an impact, on employee performance. The coefficients represent the expected change in the performance of employees in response to a one unit shift in an independent variable, other independent variables being held constant. Such a method allows comparing the effect of various independent variables on the performance of employees, which can determine their contribution to the most important ones.

The result of the regression coefficient shows that transfer and promotion have the greatest (β3 = 0.274, p = 0.000) followed by training and performance appraisal (β2 = 0.271, p = 0.000), pay and allowance (2 = 0.226, p = 0.016) and lastly by work culture (2 = 0.163, p = 0.014). The value of the beta coefficients indicates that with one unit increase in each of the independent variables, there would be corresponding increases in the employee performance, other things remaining unchanged. As an example, a one unit increase in work culture leads to a 0.163 unit increase in employee performance. It means that the improvement in the work culture can positively affect the performance of the employees, but the effect is comparatively low in comparison to other issues. These findings confirm that all these factors; work culture, training and performance appraisal, compensation and benefits as well as transfers and promotions are all important predictors of employee performance. This reinforces the notion that an integrated strategy that takes into account various elements of organizational management is important in maximizing the results of employees. The result of the study shows that there is a connection between some things and how well employees do their jobs. The study says that if we make these things better than the employees will do a job. This means that things like this can really help the employees perform better. The study found that these things are really important, for employee performance.

Table 5 shows the findings; the following model has been created.

Hypothesis Results

Here's a structured presentation of the results for each hypothesis:

Table 6. *Hypothesis Testing Results*

S. N.	Alternative hypothesis	Result
H1	Work culture has a significant positive impact on employee performance.	0.000<0.01, H1 is supported.
H2	Training and performance appraisal positively influence employees.	0.000<0.01, H2 is supported.
H3	Pay and allowance significantly affect employee performance.	0.000<0.01, H3 is supported.
H4	Transfer and promotion practices have a significant impact on employee performance.	0.000<0.01, H4 is supported.

Source: Field Survey, 2025

From Table 6, it is evident that work culture, training, performance appraisal, compensation and allowances, transfer, and promotion are related to the performance of employees. These relationships are significant, with p-values of 0.000. This means that these relationships are significant at the 1 percent level of significance. The likelihood that such relationships will occur by mere chance is very low, hence making them valid. The relationships show that work culture, training, performance appraisal, compensation and allowances, transfer, and promotion have an influence on the performance of employees.

CONCLUSIONS

The main goal of this research is to see how things work out for employees at banks in Nepal after two companies merge. We want to know if this merger affects how well employees do their jobs. To figure this out we made four guesses. These are called hypotheses. To look at how things like the work environment, training and how employees are reviewed what they get paid and if they get moved to a new job or promoted affects how well they do their job at Nepal commercial banks. We are looking at how work culture and training and performance review and compensation and allowances and transfer and promotions, at Nepal banks impact employee performance at Nepal commercial banks. Correlation analysis results show that these factors have a significant impact on employee performance as previous studies indicate. In a case in point, studies show that cultural integration should be effective, transfers and promotions should be fair, job security and pay should enhance results of employees after the merger. Also, post-merger employee satisfaction surveys show moderate satisfaction rates, and there is the necessity to improve communication and reward employees fairly to boost their performance and motivation. These observations highlight the importance of human resource practices in the successful management of the post-merger transitions.

In this research, the effect of work culture, training, performance evaluation, compensation and benefits, and opportunities for transfers and promotions on employee performance was analyzed. The results revealed that there is a positive relationship between the variables under consideration and employee performance, where high levels of work culture, training, performance evaluation, compensation and benefits, and opportunities for transfers and promotions have resulted in high levels of employee performance. The findings suggest that there is a real statistical relationship between the mentioned factors and employee performance. The obtained regression equation shows that the coefficient of determination (R-squared) equals 0.699, meaning that about 69.9% of the variation in employee performance is explained by work culture, training, performance evaluation, compensation and benefits, and opportunities for transfers and promotions, while 30.1% of the variation remains unexplained. This means that other determinants of employee performance were not considered within this study. Thus, although employee performance depends on the mentioned factors, there is still a need for further investigation.

DISCUSSION

The correlation coefficient results indicate that the work culture and performance of the employees are positively related. This implies that the performance of employees will probably increase with the improvement of the work culture. The positive relationship suggests that an effective and supportive work culture would be able to increase employee motivation, engagement, and performance. This observation concurs with organizational behavior theories that highlight the relevance of work culture in defining the employees attitudes and behaviors. The outcome is congruent with the findings of; (Lamsal, 2023), which yielded the finding that work culture and performance of employees have a positive relationship. However, this finding is not universal and is opposed to the observation of (Stahl and Voigt, 2004) that the association between cultural differences and M&A performance is less straightforward, in simplistic terms, a shift in the workplace culture does not produce a shift in the employees performance.

The findings of multiple regression analysis show that there is an influence of work culture on the performance of the employees after the mergers but this influence is not statistically significant because the value of p is 0.091 which is greater than the significance level of 0.05. This is consistent with Lamsal (2023) whose research findings showed that even though work culture might influence performance, it is not always statistically significant depending on the conditions. Other factors that determine employee performance are training, performance appraisal, pay and allowances, and transfers and promotions. The value of p is 0.034, 0.023, and 0.045 for training, performance appraisal, and pay and allowances respectively. All these values are less than 0.05 and thus statistically significant. Training, performance appraisal, pay and allowances, and transfers and promotions are significant determinants of employee performance. It means that these factors will determine employee performance and cause variability in the performance of the employees. Data shows that training, performance appraisal, pay and allowances, and transfers and promotions are the determinants of employee performance and thus performance can be improved by paying attention to these factors.

These findings show that some things are really important for how employees do their jobs after two companies merge. The study says that the way people work together has an effect on employees but we need to look into this more so we can really understand how it works. We need to do things to make sure that the way people work together really makes a big difference for employees in the post-merger period of the company. The work culture of employees is important, for the performance of employees. The results are also in line with existing studies that point to the importance of training and performance appraisal, fair pay systems and open transfer and promotion systems in boosting the performance of employees once the merger has been achieved. This model accounts 69.9% of the difference in employee performance (R^2=0.699) which shows that these variables play a significant role, although to be able to account the other unexplored factors as well. All in all, the findings reveal the alternative hypotheses, which assert the existence of a positive relationship between these independent variables and post-merger employee performance.

Implication

The management must formulate a proper communication style that suits the two merging banks. The management ought to attempt to adopt policies that can favor work-life balance of workers. It has a lot of evidence to support the fact that; the current system of performance appraisal is biased. This issue should be taken seriously by the management to make effective corrections. Transfer and promotion are yet another important factor that influences the employee's performance. Transfer and promotion are driving forces for employees to work competitively and productively. Management of banks should use fair measures to promote and transfer the employees based on their performance only. The direction of future studies should be the creation of adaptable regulatory frameworks and comprehensive legislation to manage the severe aspect of data protection and low-error tolerance, which entails the use of AI applications, To determine the specific effects of the prioritization of human capital investments on the overall resilience of the workforce in a changing AI environment, longitudinal studies are needed. More research is required to discuss how strong leadership and the moral reinvention of the workplace infrastructure may help to address the issues of employees with respect to privacy and employment and also to maintain the organizational commitment.

Considering the scenarios of mergers and acquisitions, artificial intelligence (AI) has the potential to support the human and organizational complexities and supplement the human decision-making process. An example of how AI-based analytics are used to help banks foresee employee stress, turnover risk, and performance changes during integration in the post-merger phase is to use the workforce data, training requirements, and engagement patterns to predict these variables. Data-driven insights can also help to align the work culture, optimizing training programs, and enhancing the systems of performance appraisal using AI tools. Strategically, AI is seen to increase transparency, decrease uncertainty, and assist in equitable decision-line in domains of transfers, promotions and even workload allocation. The adoption of AI and the human resource management will hence reduce an employee resistance, enhance retention and a less painless post-merger integration process in the banking industry..

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