

## **Exploring Interrelationships among Employee Engagement, Job Satisfaction, and Loyalty: A Comparative Analysis Across Selected Public Sector Banks in the Post-Merger Period.**

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### **Abstract**

The banking sector has experienced substantial transformations through mergers and acquisitions (M&As) aimed at improving operational efficiency and competitiveness. While these strategic initiatives primarily focus on financial performance, they also significantly impact employee dynamics, particularly job satisfaction (JS), employee engagement (EE), and employee loyalty (EL). Understanding these effects is crucial for evaluating M&A success and ensuring industry stability during transitions. This study identifies key factors influencing JS and EE post-merger and analyzes their associations with EL. Employing a descriptive and exploratory survey research design, data were collected from 683 banking employees via a self-constructed structured questionnaire. Participants were selected through quota sampling from four public sector banks in ten smart cities across Uttar Pradesh. Data analysis involved various statistical methods using SPSS version 25. Key findings revealed strong connections among JS, EE, and EL, with supportive leadership and growth opportunities significantly enhancing JS. No significant differences in JS, EE, or EL were found across the banks, indicating consistent employee experiences. Additionally, higher JS correlated with increased EE and EL, suggesting a reciprocal relationship that organizations can leverage for improved workforce satisfaction. The findings indicate that public sector banks should prioritize fostering supportive leadership and providing growth opportunities to enhance employee experiences and overall organizational performance.

**Keywords:** Job Satisfaction, Employee Engagement, Employee Loyalty, Leadership, Opportunities, Work environment

### **List of Abbreviations used**

PSBs	:	Public Sector Banks
JS	:	Job Satisfaction
EE	:	Employee Engagement
EL	:	Employee Loyalty
M&As	:	Mergers & Acquisitions
CB	:	Canara Bank
UBI	:	Union Bank of India
IB	:	Indian Bank
PNB	:	Punjab National Bank
AB	:	All Banks
VLL	:	Very Low Level
LL	:	Low Level

ML	:	Moderate Level
HL	:	High Level
VHL	:	Very High Level
SD	:	Standard Deviation
PDA	:	Primary Data Analysis
% of V	:	% of Variance
Asy. Sig:		Asymptotic Significance
C-S-Tests	:	Chi-Square Tests
P-C-S	:	Pearson Chi-Square
IV	:	Independent Variable
DV	:	Dependent Variable
Std. Coeff	:	Standardized Coefficient
UnStd. Coeff.	:	Unstandardized Coefficient
S.E	:	Std. Error
Sig.	:	Significant

## **1. Introduction**

The banking sector has undergone significant transformations in recent years, particularly through M&As aimed at enhancing operational efficiency and competitiveness. In India, the merger of several PSBs, including CB, IB, PNB, and UBI, reflects a strategic response to the challenges posed by a rapidly changing financial landscape. These mergers are not merely organizational restructurings; they also influence employee dynamics, particularly in terms of JS, EE, and EL. Understanding the effects of these changes on employees is crucial for assessing the overall success of these mergers and the health of the banking industry.

Mergers in the banking sector often aim to achieve synergies that improve financial performance and customer service. The merger of CB with Syndicate Bank and the consolidation of IB with Allahabad Bank, for instance, sought to create stronger entities capable of better risk management and resource utilization (Mukeshkumar, 2021). However, while the strategic goals of such mergers may focus on financial metrics, the human aspect—how employees perceive and adapt to these changes—remains critical. Research indicates that mergers can lead to heightened uncertainty and anxiety among employees, impacting their job satisfaction and engagement levels (Sanda et al., 2011).

JS refers to the extent to which employees feel content in their roles, which is essential for fostering a positive work environment. Factors influencing JS can include job security, organizational culture, and the perceived value of the work being done (Lekic, 2019). In the context of M&As, employees may experience a decline in satisfaction due to fears of job loss or changes in company culture. Conversely, enhancing JS can lead to increased EE—defined as the emotional commitment employees have towards their organization and its goals (Kahn, 1990). Engaged employees are likely to perform better, exhibit greater loyalty, and contribute positively to the organizational climate, making it essential for management to prioritize engagement initiatives during and after the merger process.

EL, closely linked to both JS and EE, represents a commitment to the organization that extends beyond mere job performance. Loyal employees are more likely to remain with the organization during turbulent times (Guillon, O., & Cezanne, C., 2014), thus aiding in retention strategies post-merger. Studies show that high levels of loyalty can mitigate the negative effects of change, helping organizations to maintain stability during transitions (Meyer & Allen, 1991). Therefore, understanding the interrelations between JS, EE, and EL in the context of selected PSBs is crucial for organizational leaders aiming to navigate the complexities of mergers effectively.

The post-merger period is particularly significant for assessing these dimensions. It is during this time that employees may express their concerns and attitudes more openly, providing valuable insights for management to address potential issues proactively. By examining the relationships between JS, EE, and EL in selected PSBs, this study aims to contribute to the literature on M&As in the banking sector, offering evidence-based recommendations for enhancing employee experiences in transitional periods.

Thus, the mergers of PSBs such as CB, IB, PNB, and UBI serve as a crucial backdrop for exploring employee dynamics. By focusing on JS, EE, and EL, this research intends to shed light on how these dimensions influence each other and their implications for effective post-merger integration strategies.

### **1.1 Objectives of the study**

- To identify the most important factors influencing JS from the perspective of employees across AB, CB, UBI, IB, and PNB in the post-merger period.
- To explore the most important factors influencing EE from the perspective of employees across AB, CB, UBI, IB, and PNB in the post-merger period.
- To analyze the association between JS, EE, and EL in relation to the type of bank (AB, CB, UBI, IB, PNB) during the post-merger period.
- To examine the relationship between JS and EE and the relationship between JS and EL.
- To assess the impact of EE (IV) on JS (DV) in the context of CB, UBI, IB, and PNB.
- To evaluate the impact of JS (IV) on EL (DV) in the context of CB, UBI, IB, and PNB.

### **1.2 Need & Significance of the study**

In the dynamic landscape of the banking sector, particularly in the context of M&As, understanding the factors that influence JS and EE has become increasingly critical. This study addresses the pressing need to identify the most significant determinants of JS from the employees' perspectives across various PSBs, including AB, CB, UBI, IB, and PNB, during the post-merger phase. By elucidating these factors, the study aims to provide insights that can guide management strategies, foster a more satisfied workforce, and ultimately enhance overall organizational performance.

Additionally, exploring the important factors influencing EE is vital for fostering a productive workplace environment. Engaged employees are more likely to exhibit loyalty and commitment to their organizations, directly impacting their performance and the bank's success. By analyzing the association between JS, EE, and EL, this study seeks to uncover the intricate relationships that exist within these constructs in the post-merger context. This understanding is essential for banks to develop targeted interventions that enhance employee satisfaction and loyalty, thereby promoting stability and growth after a merger.

Furthermore, examining the relationships between JS and both EE and EL provide a comprehensive view of how these factors interact and influence one another within the banking sector. Assessing the impact of EE on JS and vice versa is critical for developing effective strategies that enhance both employee satisfaction and organizational loyalty. Ultimately, this research aims to contribute to the existing body of knowledge by highlighting the interconnectedness of these variables in the unique setting of post-merger public sector banks, thereby offering practical recommendations for banking leaders and policymakers to improve employee engagement, satisfaction, and loyalty in this critical phase of organizational transformation.

## **2. Literature Review**

EE motivates employees (Shuck et al., 2024), improves performance and reduce turnover (Mone & London, 2024), feel empowered to make decisions (Gagné & Deci, 2024) and exhibit higher levels of commitment (Hakanen et al., 2024). Additionally, recognition and rewards for employees' achievements reinforce their emotional attachment to the organization, significantly enhancing engagement (Peters & Mason, 2024). Employees who can effectively manage personal and professional responsibilities report higher engagement levels (Sonnentag, 2024).

EE is affected by job security (Kinnunen et al., 2024), fair compensation (Bakker & Demerouti, 2024) (Wrzesniewski et al., 2024), effective leadership (Zhu et al., 2024) and meaningful work that aligns with personal values leads to increased motivation and engagement among employees (Wrzesniewski et al., 2024) leading to improved organizational performance (Mokhtar et al., 2024).

### **• Relationship Between Employee Engagement (EE) and Job Satisfaction (JS)**

EE and JS are key drivers of performance, productivity, and retention. Engagement refers to an employee's emotional commitment to their job, while job satisfaction reflects contentment with their role and workplace (Bakker & Demerouti, 2018). This review explores their relationship based on recent studies.

Engagement is the emotional investment and enthusiasm towards work. Ali et al. (2024) found that engaged employees often report higher job satisfaction due to their psychological connection to their work. Kim and Park (2024) similarly observed that high engagement correlates with greater job satisfaction, though factors like work-life balance also play a role.

Though related, EE & JS are distinct. Engagement is an active state, marked by vigor and dedication (Schaufeli, 2021), while job satisfaction is more passive (Locke, 1976). Studies show that engagement can precede job satisfaction, fostering

positive work experiences (Saks, 2019). Engaged employees often feel intrinsic rewards like achievement, which boost job satisfaction (Breevaart & Bakker, 2018). Bailey et al. (2020) found that engagement strategies, such as autonomy and recognition, enhance job satisfaction.

Psychological empowerment also links engagement to satisfaction. Empowered employees, who experience meaning and competence, report higher engagement and satisfaction (Maynard et al., 2020; Haldorai et al., 2022).

Leadership impacts this relationship. Transformational leadership fosters trust and meaningful work, boosting engagement and satisfaction (Al Mehrzi & Singh, 2021), while transactional leadership may only provide short-term satisfaction (Kim & Park, 2021). Engagement-enhancing practices like career development and fair compensation increase job satisfaction (Kumar & Pansari, 2016). High engagement correlates with lower turnover and higher satisfaction (Thakur & Bhatnagar, 2017). Work-life balance also plays a critical role, with better balance leading to higher engagement and satisfaction (Clarke et al., 2022).

Some studies suggest JS can also lead to increased engagement. Wright & Cropanzano (2022) argue that satisfied employees may become more engaged, aligning with Herzberg's Two-Factor Theory (Herzberg, 1968). Cultural context influences the engagement-satisfaction relationship. In collectivist cultures, the link between these two factors is stronger (Gagné & Deci, 2022), and industry norms also affect the correlation (Bailey et al., 2020).

The relationship between EE & JS is influenced by factors like leadership, psychological empowerment, work-life balance, and cultural context. Promoting engagement can enhance job satisfaction, leading to better organizational outcomes.

- **The Relationship Between Job Satisfaction (JS) and Employee Loyalty (EL)**

The relationship between JS & EL has been a key focus in organizational behavior and HR management. This review explores the theoretical link, factors influencing satisfaction, its impact on loyalty, and moderating variables in this relationship. JS, defined as contentment with one's job, has a strong connection with employee loyalty, reflecting an employee's intent to stay with the organization. Martínez et al. (2024) found that satisfaction, particularly in high-turnover industries, leads to emotional bonds and loyalty, reducing turnover intentions and increasing tenure and organizational citizenship behaviors (OCBs). This is more pronounced when satisfaction comes from non-monetary rewards like recognition and career growth.

JS is shaped by intrinsic factors (Herzberg, 1959), such as achievement and recognition, which in turn foster loyalty (Kim & Park, 2024). Other contributing factors include organizational culture, compensation, and job security, all of which affect loyalty (Garcia-Bernal et al., 2023). Competitive compensation, though not the sole driver, is significant for enhancing satisfaction and loyalty (Nawaz & Pangil, 2016; Sharma & Taneja, 2023). Empirical studies affirm that job satisfaction positively impacts loyalty. Tziner et al. (2022) noted lower turnover and increased OCBs among satisfied employees, while dissatisfaction is linked to higher turnover and disengagement (Jiang et al., 2022; Smith et al., 2022).

Moderating variables, like organizational commitment, amplify this relationship. Yousaf et al. (2023) emphasized affective commitment as a key factor. Leadership style also plays a role, with transformational leadership enhancing satisfaction and loyalty (Avolio & Bass, 2022), and perceived fairness and transparent communication either strengthening or weakening this connection (Zhang & Liu, 2023). Job satisfaction is a crucial determinant of loyalty. Satisfied employees show greater commitment and loyalty, influenced by factors such as compensation, organizational support, and leadership styles. Moderating variables like affective commitment and leadership further shape this relationship.

- **Relationship Between Employee Engagement (EE), Job Satisfaction (JS), and Employee Loyalty (EL)**

Recent research highlights the strong link between EE, JS & EL. Engaged employees, who align with organizational goals, often exhibit loyalty behaviors such as advocacy, commitment, and exceeding job expectations. For instance, Harter et al. (2019) found that organizations with high employee engagement experience significantly lower turnover rates due to increased feelings of value and alignment with organizational objectives. Similarly, a study by Kim et al. (2021) demonstrated that engaged employees are more likely to remain committed to their organizations, fostering a culture of loyalty and advocacy.

The relationship between EE, JS & EL is mutually reinforcing. Engaged employees tend to report higher job satisfaction, which in turn fosters loyalty, while dissatisfaction can reduce both engagement and loyalty (Saks, 2019). Gupta et al. (2022) noted this cycle creates a "virtuous loop," where leadership plays a key role, especially transformational leaders who build

trust and communication, enhancing both engagement and loyalty (Al Mehrzi & Singh, 2021). Moreover, a longitudinal study by Zhang et al. (2021) found that inclusive and innovative organizational cultures significantly boost engagement and satisfaction, correlating with increased loyalty. Transformational leadership further strengthens this connection, as Kamal and Thomas (2022) observed that cultures emphasizing trust and recognition foster stronger loyalty, reducing turnover even in competitive job markets (Meyer & Allen, 1991). In summary, engagement drives satisfaction, which fosters loyalty. Leadership, culture, and reward systems significantly influence this cycle, and organizations must adopt HR strategies that enhance engagement, improve satisfaction, and cultivate loyalty for long-term success.

**3. Methodology**

This study utilized a descriptive and exploratory survey research design employing a quantitative approach. Primary data were gathered from a sample of 683 banking employees through a self-constructed structured questionnaire, administered both online and offline. The respondents comprised employees from four selected public sector banks: CB, UBI, IB, and PNB, across ten smart cities in Uttar Pradesh, namely Agra, Aligarh, Bareilly, Jhansi, Kanpur, Lucknow, Moradabad, Prayagraj, Saharanpur, and Varanasi. A quota sampling technique was employed to select the participants. Data analysis involved reliability analysis, frequency analysis, factor analysis, chi-square analysis, correlation analysis, and regression analysis, using SPSS version 25. Following data collection, cleaning, and coding, the levels of dimensions—EE, JS, and E—were assessed.

**• Process for Determining Dimension Levels:**

The final questionnaires were distributed to banking employees from the four selected banks in the ten smart cities. Respondents rated their agreement using a 5-point scale, ranging from "Highly Dissatisfied" to "Highly Satisfied" for JS, and from "Strongly Disagree" to "Strongly Agree" for EE and EL. To ascertain the levels of these dimensions, the researcher converted all scores into Z-scores for each variable, calculated the total score for all variables within each dimension across the 683 respondents, and determined class intervals by dividing the range by five. Five categories were established based on Z-score divisions, with the lowest value assigned a code of 1 and the highest a code of 5, leading to the categorization of all variables into Very Low Level (VLL), Low Level (LL), Medium Level (ML), High Level (HL), and Very High Level (VHL).

Table 1- Statistics: Z score: JS & EE

Metric	JS	EE	EL
N (Valid)	683	683	683
Missing	0	0	0
Mean	0.00	0.00	0.00
SD	1.00	1.00	1.00
Range	5.78	5.71	4.65
Minimum	-4.53	-4.17	-3.53
Maximum	1.24	1.54	1.12
Class Intervals	1.15	1.14	0.93
VLL	-4.53 to -3.38	-4.17 to -3.03	-3.53 to -2.6
LL	-3.37 to -2.22	-3.02 to -1.88	-2.59 to -1.66
ML	-2.21 to -1.06	-1.87 to -0.73	-1.65 to -0/72
HL	-1.05 to 0.1	-0.72 to 0.42	-0.71 to 0.22
VHL	0.11 to 1.26	0.43 to 1.57	0.23 to 1.16

(Source: Researcher’s own primary data analysis)

**4. Data Analysis & Interpretation**

**4.1 Reliability Analysis**

Table 2- Reliability Statistics

Reliability Statistics		
Scale	Cronbach's Alpha	N of Items
JS	.751	09
EE	.756	11
EL	.765	03

(Source: Researcher’s own PDA)

**Interpretation-** The table shows that the data has high reliability for both JS & EE scales as the C’A values exceeds 0.7.

#### 4.2 Demographic Analysis

Table 3- Demographic analysis

Demographic Variable	Frequency	Percentage (%)
<b>Bank</b>		
CB	223	32.7
UBI	190	27.8
IB	180	26.4
PN	90	13.2
<b>City</b>		
Lucknow	151	22.1
Agra	92	13.5
Aligarh	73	10.7
Bareilly	74	10.8
Jhansi	50	7.3
Kanpur	46	6.7
Muradabad	52	7.6
Prayagraj	52	7.6
Saharanpur	47	6.9
Varanasi	46	6.7
<b>Age Group</b>		
21 years to 30 years	224	32.8
31 years to 40 years	238	34.8
41 years to 50 years	158	23.1
51 years to 60 years	63	9.2
<b>Gender</b>		
Male	355	52.0
Female	328	48.0
<b>Marital Status</b>		
Single	64	9.4
Married	607	88.9
Other	12	1.8
<b>Educational Qualifications</b>		
Graduation	219	32.1
Post-Graduation	324	47.4
Professionally/Technically Qualified	133	19.5
PhD	7	1.0
<b>Designation</b>		
Lower Level Executive	369	54.0
Middle Level Executive	242	35.4
Senior Level Executive	72	10.5
<b>Monthly Income</b>		
Rs. 50,000 to 75,000	285	41.7
Rs. 75,001 to Rs. 1,00,000	92	13.5
Rs. 1,00,001 to Rs. 1,50,000	235	34.4
More than Rs. 1,50,000	71	10.4
<b>Experience</b>		
Less than 5 years	184	26.9
Between 6 to 10 years	253	37.0
Between 11-15 years	83	12.2
Between 16-20 years	136	19.9
More than 20 years	27	4.0

(Source: Researcher’s own PDA)

**Interpretation:** The demographic analysis of 683 respondents reveals significant diversity in banking affiliation, geographic distribution, age, gender, marital status, educational qualifications, designation, monthly income, and experience. CB had the highest representation at 32.7%, while Lucknow acNed for 22.1% of respondents. The majority (34.8%) fell within the 31 to 40 age range, and a slight majority (52.0%) were male. Most respondents were married (88.9%), with post-graduates being the most common educational qualification (47.4%). Lower-level executives constituted the largest group (54.0%), and a notable percentage (41.7%) reported a monthly income between Rs. 50,000 to 75,000. Most respondents had between 6 to 10 years of experience (37.0%).

**4.3 Factor Analysis: Identifying the most important factors of JS from the perspective of employees of AB, CB, UBI, IB & PNB in the post-merger period**

Table 4: Most important factors of JS from the perspective of employees of AB, CB, UBI, IB & PNB in the post-merger period

Metric	AB	CB	UBI	IB	PNB
<b>KMO</b>	0.777	0.780	0.795	0.693	0.796
<b>Sig.</b>	0.000	0.000	0.000	0.000	0.000
<b>% of V</b>	42.118%	42.853%	44.160%	38.019%	45.549%
<b>Key Factors (1st Component)</b>	Job Satisfaction, Work Effectiveness, Meaningful Work, Advancement Opportunities, Supervisor Expectations	Work Effectiveness, Job Satisfaction, Meaningful Work, Advancement Opportunities, Leadership Values	Job Satisfaction, Work Effectiveness, Meaningful Work, Advancement Opportunities, Leadership Values	Job Satisfaction, Work Effectiveness, Meaningful Work, Advancement Opportunities, Supervisor Expectations	Job Satisfaction, Work Effectiveness, Meaningful Work, Advancement Opportunities, Leadership Values

(Source: Researcher’s own PDA)

**Results:** The data shows that the information collected from all the banks is good enough for analysis as the KMO values for each bank are well above 0.6, This means there is a strong connection between the different factors being studied, and we can confidently move forward with the results. For each bank, the main factors capture a large portion of the overall results, ranging from about **38% to 45%**, which highlights the importance of these key areas.

**Bank-wise results of Key Factors of JS:**

- For **AB**, employees are satisfied with their jobs and find their work meaningful. They also report good teamwork across departments, clear expectations from supervisors, and see opportunities for growth. They feel that the leadership values employee satisfaction, creating a positive work environment.
- At **CB**, employees are happy with their jobs and feel they work well across different teams. They find their work rewarding and believe that leadership values their satisfaction. Opportunities for career advancement and clear guidance from supervisors also add to their positive experience.
- In **UBI**, job satisfaction and meaningful work experiences stand out. Employees feel they work well with others, and leadership is supportive of their satisfaction. They also see room for growth within the organization.
- For **IB**, while employees are satisfied with their jobs, they particularly value leadership's attention to their well-being. They appreciate clear expectations from supervisors and find their work fulfilling, with leadership's focus on employee satisfaction being more important here than at other banks.
- At **PNB**, job satisfaction, opportunities for growth, and clear communication from supervisors are key factors. Employees value fulfilling work and place special emphasis on leadership’s efforts to prioritize their satisfaction.

**4.4 Factor Analysis: Identifying the most important factors of EE from the perspective of employees of AB, CB, UBI, IB & PNB in the post-merger period**

Table 5: Most important factors of EE from the perspective of employees of AB, CB, UBI, IB & PNB in the post-merger period

Metric	AB	CB	UBI	IB	PNB
<b>KMO</b>	.761	.786	.751	.726	.666
<b>Sig.</b>	0.000	0.000	0.000	0.000	0.000
<b>% of V</b>	35.606%	36.615%	36.169%	34.656%	35.805%

<b>Key Factors (1st Component)</b>	Sense of belonging, Engagement & commitment, Positive work environment, Positive results from work, Meaning and purpose	Sense of belonging, Engagement & commitment, Positive work environment, Positive results from work	Sense of belonging, Meaning and purpose, Positive work environment, Positive results from work, Engagement & commitment, Teamwork & collaboration	Sense of belonging, Access to resources, Value & recognition.	Engagement & commitment, Positive results from work, Sense of belonging, Positive work environment, Teamwork & collaboration
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(Source: Researcher’s own PDA)

**Results:** The data shows that the information collected from all the banks is adequate for analysis, as the KMO values for each bank are above 0.6. This indicates a strong connection between the different factors being studied, allowing us to move forward confidently with the results. For each bank, the main factors capture a significant portion of the overall variance, ranging from about **34.65% to 36.62%**, underlining the importance of these key areas.

**Bank-wise Results of Key Factors of EE:**

For AB, employees express a strong sense of belonging and engagement. They find their work meaningful and experience positive outcomes from their efforts. Additionally, they appreciate the supportive work environment fostered by leadership and value effective teamwork.

- At **CB**, employees feel engaged and committed to their roles. They highlight a positive work environment and a sense of belonging. The opportunities for growth and clear expectations from supervisors contribute to their overall job satisfaction.
- In **UBI**, a strong sense of belonging and teamwork emerges. Employees value the meaning they derive from their work and recognize the positive work environment cultivated by leadership, which reinforces their commitment to the organization.
- For **IB**, employees prioritize the attention leadership gives to their well-being. They appreciate clear guidance and fulfilling work experiences, which significantly enhance their job satisfaction.
- At **PNB**, job satisfaction is closely tied to opportunities for growth and clear communication from supervisors. Employees find their work fulfilling and emphasize the leadership’s commitment to prioritizing their satisfaction, creating a positive organizational culture.

**4.5 Chi-Square Analysis: Relationship between JS, EE & EL and respondent’s type of bank in the post-merger period**

- **H<sub>0</sub> 1:** There is no significant association between Name of the bank and JS in the post-merger period.

Table 6- Bank \* JS

JS & Bank	Levels of JS across banks					Total
	VLL	LL	ML	HL	VHL	
<b>CB</b>	2 (0.9%)	7 (3.1%)	9 (4.0%)	88 (39.5%)	117 (52.5%)	223 (100%)
<b>UBI</b>	1 (0.5%)	5 (2.6%)	3 (1.6%)	75 (39.5%)	106 (55.8%)	190 (100%)
<b>IB</b>	1 (0.6%)	1 (0.6%)	4 (2.2%)	66 (36.7%)	108 (60.0%)	180 (100%)
<b>PNB</b>	1 (1.1%)	2 (2.2%)	3 (3.3%)	35 (38.9%)	49 (54.4%)	90 (100%)
<b>AB</b>	5 (0.7%)	15 (2.2%)	19 (2.8%)	264 (38.7%)	380 (55.6%)	683 (100%)
<b>C-S-Tests</b>				<b>Value</b>	<b>df</b>	<b>Asy. sig</b>
P-C-S				7.567 <sup>a</sup>	12	.818

(Source: Researcher’s own PDA)

**Results:** The analysis reveals no significant association between the banks and JS in the post-merger period, as the p-value surpasses the threshold values (0.05). The distribution of job satisfaction levels across banks (CB, UBI, IB, PNB) shows that most employees reported high (39.5% for CB, 39.5% for UBI, and 36.7% for IB) to very high satisfaction (52.5% for CB, 55.8% for UBI, and 60.0% for IB), indicating overall contentment. Thus, we conclude that job satisfaction levels are relatively consistent regardless of the bank, supporting H<sub>0</sub> 1.

- **H<sub>0</sub> 2:** There is no significant association between Name of the bank and EE in the post-merger period.

Table 7- Bank \* EE

Levels of EE across banks						
EE & Bank	VLL	LL	ML	HL	VHL	Total
CB	5 (2.2%)	7 (3.1%)	19 (8.5%)	101 (45.3%)	91 (40.8%)	223 (100%)
UBI	2 (1.1%)	10 (5.3%)	16 (8.4%)	86 (45.3%)	76 (40.4%)	190 (100%)
IB	1 (0.6%)	5 (2.8%)	20 (11.1%)	87 (48.3%)	67 (37.2%)	180 (100%)
PNB	2 (2.2%)	3 (3.3%)	14 (15.6%)	43 (47.8%)	28 (31.1%)	90 (100%)
AB	10 (1.5%)	25 (3.7%)	69 (10.1%)	317 (46.4%)	262 (38%)	683 (100%)
C-S Tests				Value	df	Asy. sig
P-C-S				10.402 <sup>a</sup>	12	.581

(Source: Researcher’s own PDA)

**Results:** The analysis indicates no significant association between EE levels and the bank name in the post-merger period, as the p-value is not less than the threshold values (0.05). Across the banks (CB, UBI, IB, PNB), most employees reported high (45.3% for CB, 45.3% for UBI, 48.3% for IB) to very high engagement (40.8% for CB, 40.4% for UBI, and 37.2% for IB). Thus, employee engagement EE appears to be relatively uniform across these institutions, leading to the acceptance of H<sub>0</sub> 2.

- **H<sub>0</sub> 3:** There is no significant association between Name of the bank and EL in the post-merger period.

Table 8- Bank \* EL

Levels of EL across banks						
EL & Bank	VLL	LL	ML	HL	VHL	Total
CB	5 (2.2%)	15 (6.7%)	44 (19.7%)	51 (22.9%)	108 (48.4%)	223(100%)
UBI	4 (2.1%)	5 (2.6%)	33 (17.4%)	43 (22.6%)	105 (55.3%)	190(100%)
IB	4 (2.2%)	2 (1.1%)	31 (17.2%)	47 (26.1%)	96 (53.3%)	180(100%)
PNB	2 (2.2%)	3 (3.3%)	14 (15.6%)	23 (25.6%)	48 (53.3%)	90(100%)
AB	15 (2.2%)	25 (3.7%)	122 (17.9%)	164 (24.0%)	357 (52.3%)	683(100%)
C-S Tests				Value	df	Asy.sig
P-C-S				11.985 <sup>a</sup>	12	.447

(Source: Researcher’s own PDA)

**Results:** The analysis reveals no significant association between EL levels and the bank name in the post-merger period, as the p-value is not less than the threshold values (0.05). Among the banks (CB, UBI, IB, PNB), the majority of employees reported high (22.9% for CB, 22.6% for UBI, 26.1% for IB) to very high loyalty (48.4% for CB, 55.3% for UBI, and 53.3% for IB). Therefore, EL appears consistent across these PSBs, leading to the acceptance of H<sub>0</sub> 3.

**4.6 Correlation Analysis: Relationship between JS & EE and JS & EL**

- **H<sub>0</sub> 1:** There is no significant relation between JS and EE in case of CB, UBI, IB & PNB.
- **H<sub>0</sub> 2:** There is no significant relation between JS and EL in case of CB, UBI, IB & PNB.

Table 9-Relationship between JS and EE; JS and EL

		EE	EL
CB	JS	.530	.569
	Sig.	.000	.000
	N	223	223
UBI	JS	.562	.475
	Sig.	.000	.000
	N	190	190
IB	JS	.367	.171
	Sig.	.000	.000

	N	180	180
PNB	JS	.492	.602
	Sig.	.000	.013
	N	90	90

(Source: Researcher’s own PDA)

**Results:** The above analysis shows significant relationships between JS and EE and between JS and EL across the four PSBs. CB has r value of 0.530 (EE) and 0.569 (EL), UBI shows 0.562 (EE) and 0.475 (EL), IB presents 0.367 (EE) and 0.171 (EL), and PNB shows 0.492 (EE) and 0.602 (EL). All r values are sig (p < 0.001). This indicates that higher JS is linked to greater EE & EL. Therefore, we reject H01 & H0 2.

**4.7 Regression Analysis: Impact of EE (IV) on JS (DV) in case of CB, UBI, IB & PNB.**

- **H0 1:** There is no significant impact of EE (IV) on JD (DV) in case of CB, UBI, IB & PNB.

Table 10-Regression Coefficients Impact of EE on JS

		Coefficients <sup>a,b</sup>				
Models	Predictor/Independent Variables	UnStd. Coeff.		Std. Coeff.	t	Sig.
		B	S,E	Beta		
Model 1: CB	(Constant)	2.426	.217		11.194	.000
	EE	.470	.051	.530	9.284	.000
Model 2: UBI	(Constant)	2.560	.210		12.218	.000
	EE	.458	.049	.562	9.327	.000
Model 3: IB	(Constant)	3.315	.238		13.910	.000
	EE	.295	.056	.367	5.270	.000
Model 4: PNB	(Constant)	2.749	.325		8.449	.000
	EE	.419	.079	.492	5.304	.000

b. DV: JS

(Source: Researcher’s own PDA)

**Results:** The analysis reveals that EE, which is IV, significantly impacts JS, which is DV, across all four PSBs.

- In CB, a higher level of EE (std. co 0.530, p < 0.001) results in increased JS.
- In UBI, the impact of EE (std. co 0.562, p < 0.001) also leads to enhanced JS.
- In IB, an increase in EE (std. co 0.367, p < 0.001) positively influences JS.
- In PNB, the effect of EE (std. co 0.492, p < 0.001) similarly improves JS.

These results indicate that as EE rises, JS correspondingly increases in all banks analyzed, therefore H0 1 is rejected.

**4.8 Regression Analysis: Impact of JS (IV) on EL (DV) in case of CB, UBI, IB & PNB.**

- **H0 1:** There is no significant impact of JS (IV) on EL (DV) in case of CB, UBI, IB & PNB.

Table 11- Regression Coefficients Impact of JS on EL

		Coefficients <sup>a,b</sup>				
Models	Predictor/Independent Variables	UnStd. Coeff.		Std. Coeff.	t	Sig.
		B	S.E	Beta		
Model 1: CB	(Constant)	.676	.337		2.006	.046
	EL	.776	.075	.569	10.281	.000

Model 2: UBI	(Constant)	1.340	.400		3.346	.001
	<b>EL</b>	.653	.088	.475	7.391	.000
Model 3: IB	(Constant)	3.108	.507		6.130	.000
	<b>EL</b>	.256	.110	.171	2.318	.022
Model 4: PNB	(Constant)	.801	.494		1.623	.108
	<b>EL</b>	.777	.110	.602	7.079	.000
b. DV: JS						

(Source: Researcher’s own PDA)

**Results:** The analysis demonstrates that JS, which is IV, significantly impacts EL, which is DV, across all four PSBs.

- In CB, a rise in JS (coefficient 0.569,  $p < 0.001$ ) is associated with increased EL.
- In UBI, the positive effect of JS (std. co 0.475,  $p < 0.001$ ) also enhances EL.
- In IB, the impact is less strong, with JS (std. co 0.171,  $p = 0.022$ ) still positively influencing EL.
- In PNB, JS (std. co 0.602,  $p < 0.001$ ) significantly increased EL.

These findings indicate that higher JS is linked to greater EL in all the banks analyzed, leading to the rejection of H0 1.

### 5. Discussion and Conclusion

The results of this study highlight key factors that contribute to JS and EE in the post-merger context across several PSBs. Overall, employees in all selected banks exhibited positive attitudes towards their work, including satisfaction with their roles and opportunities for growth, which aligns with previous research emphasizing the significance of leadership support and meaningful work on employee satisfaction (Kim et al., 2021). Employees in these banks found their work fulfilling, noted clear expectations from supervisors, and appreciated the sense of teamwork, reflecting findings that a supportive organizational culture enhances job satisfaction (Garcia-Bernal et al., 2023).

Among the banks, differences in focus emerged. For instance, in IB and PNB, employees placed more value on leadership's focus on their well-being compared to others, reinforcing the notion that effective leadership plays a pivotal role in fostering employee commitment and satisfaction (Haldorai & Rajasekar, 2022). The overall positive work environment across all banks facilitated higher engagement levels, further supported by the employees' sense of belonging and clear communication, which have been recognized as critical factors in employee engagement (Bakker & Demerouti, 2024).

Fascinatingly, the study showed no significant differences in job satisfaction, employee engagement, or loyalty levels between banks. This finding suggests that these institutions have successfully maintained employee morale and commitment during the post-merger period, reflecting the effectiveness of merger integration strategies. This finding aligns with prior studies indicating that consistent leadership and a focus on employee well-being mitigate the potential negative impacts of organizational changes (Ali et al., 2024).

The significant positive relationship between JS and EE, as well as between JS and EL, emphasizes the interconnectedness of these variables. Previous research supports this relationship, indicating that when employees feel engaged in their work and satisfied with their roles, they are more likely to remain loyal to the organization (Kamal & Thomas, 2022). Leadership’s role in fostering a positive work environment and offering growth opportunities was a common theme across all banks, emphasizing its crucial role in ensuring both satisfaction and engagement (Gupta & Kumar, 2022).

In conclusion, the findings from this study highlight the importance of leadership, clear communication, meaningful work, and teamwork in promoting job satisfaction and employee engagement across the selected PSBs during the post-merger period. These factors have been instrumental in maintaining high levels of employee loyalty, suggesting that effective leadership and organizational support are essential in navigating the challenges of mergers. While individual differences existed in the emphasis placed on specific factors, such as leadership's attention to employee well-being, the overall trends indicated that leadership plays a crucial role in driving job satisfaction, engagement, and loyalty. These results are consistent with previous literature on organizational behavior and human resource management (Harter et al., 2019; Breevaart & Bakker, 2018).

This study contributes to the existing body of knowledge by reinforcing the importance of employee engagement and

satisfaction in ensuring successful post-merger integration. It also provides practical insights for organizations undergoing mergers, highlighting the need for leadership to prioritize employee well-being and maintain a supportive, growth-oriented work environment.

## **6. Suggestions**

During the post-merger phase, employee well-being is critical for maintaining job satisfaction and loyalty. Offering mental health support, stress management programs, and flexible work options helps reduce anxiety and ensures employees feel valued. Clear communication is equally vital, as it minimizes uncertainty and builds trust, while regular updates from leadership foster transparency and alignment with company goals. Growth opportunities through upskilling, promotions, and workshops keep employees motivated, while promoting teamwork and collaboration across departments builds trust and unity. Clear role expectations further reduce confusion, empowering employees to stay focused. Recognition programs boost morale, and maintaining an inclusive, conflict-free work environment enhances satisfaction. Visible leadership involvement, open feedback, and addressing employee concerns foster a cohesive, loyal workforce.

## **7. Limitations and Future scope of study**

The study faces limitations due to its focus on a specific post-merger context, which may not fully capture the diverse challenges faced by different sectors or regions. Additionally, the data collection was confined to a short timeframe, which may not reflect the evolving nature of employee engagement and loyalty over time. Future research could explore a wider range of industries and incorporate quantitative analysis to validate these outcomes. Expanding the study to include long-term effects of mergers on employee engagement and loyalty would provide a deeper understanding of sustained impacts. Furthermore, examining the role of technological tools in enhancing communication and collaboration during mergers presents a valuable avenue for future investigation.

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