Evaluating Customer Satisfaction Pre- and Post-Merger of the State Bank of India with its Associate Banks

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Abstract

The research aimed to evaluate customer satisfaction levels pre- and post-merger of the State Bank of India (SBI) with its associate banks. The study adopted a descriptive and analytical approach, utilizing both primary and secondary data. Primary data was collected through a questionnaire distributed to employees working across various SBI branches in Karnataka. The data was analyzed using SPSS software, employing both descriptive statistics and inferential statistics, including one-way ANOVA, to test the hypothesis. The analysis revealed significant insights into the effects of the merger on SBI's performance and customer satisfaction levels. Descriptive statistics provided a comprehensive overview of the data, while inferential statistics facilitated hypothesis testing, confirming significant differences in customer satisfaction levels before and after the merger. This study contributes to the understanding of the merger's impact on SBI, offering valuable insights for policymakers and banking professionals. The findings underscore the importance of considering customer satisfaction in the aftermath of mergers and acquisitions, highlighting areas for potential improvement in banking services post-merger.

Keywords: Mergers and Acquisitions, State Bank of India, Customer Satisfaction and Banking Performance

Introduction

The banking industry of any nation is the key driver of its economy. It is the prime mover of the economy as no economic activity will sail smoothly without adequate funds, the bulk of which is provided by the banking sector. Banks, therefore, occupy a significant place in every nation's economy and should be given more attention than any other type of economic unit in an economy.

The banking industry plays a vital role in the Indian financial system and contributed approximately 7.4% to India's GDP in 2019. Banks are considered the backbone for the growth and development of an Indian economy. The Indian banking sector is divided into four categories: public sector banks, private sector banks, foreign banks in India, and cooperative and regional rural banks. The Indian banks are anticipated to manage large inflows and outflows of various financial resources. A strong banking system through restructuring is needed to manage the inflow and outflow of financial resources. India's banking sector is considered the most significant growing sector, and the soundness of the banking system has been essential for developing the country's economy. To meet this changing scenario, the bank can adopt a plan of action such as consolidation and Mergers and Acquisitions (M&A).

In 1991, there was a paradigm shift in the operations and functioning of the financial sector in general and the banking sector in particular, with the opening up of the Indian economy and adopting liberalization, privatization, and globalization. This resulted in many studies on M&A in India and worldwide. Incidentally, the Government of India, along with the Reserve Bank of India, have initiated mergers and acquisitions of the Indian banking sector with the anticipation that it would accrue benefits to the banks in terms of economies of scale and also make an attempt to make the Indian banks more competitive and effective in the global market.

Merger is the mix of at least two elements by buy procurement whereby the character of one of the elements remains while the others are being broken down. The purposes of the merger exchanges are essentially picking up a piece of the overall industry, the upper hand, expanding incomes, and hazard and item enhancements (Wagner and Garibaldi de Hilal, 2014). With the worldwide money-related emergencies, it is recognizable that mergers and acquisitions have impressively expanded. Partnerships utilized such a mix for aggressiveness and to maintain a firm, solid footing in the business. This has prompted a noteworthy change in the business scene. Mergers and acquisitions have been known to coordinate the blending of substances toward positive, cooperative energies, upgraded resources, and development. Mergers among various banks are delegated-level mergers. The arrangement is constantly anticipated that would be valuable for both combining firms.

Merger is no longer considered a strange word by the people or companies in the world at large. Nowadays, it has become a common term in many industries. A merger usually means combining two or more firms to form a more powerful and prominent firm. Thus, the organization formed may be regarded as the product created with all the features of those small inputs. A merger is a process whereby two or more companies from a similar industry join together and restart working with one of the merged companies' names as a complete legal entity (Ogada et al., 2016).

SBI, or State Bank of India, is India's largest bank, headquartered in Mumbai. It is now widespread and has many branches across the country. SBI is the largest public sector bank providing banking and financial services to its customers. SBI had a network of subsidiary banks formed earlier in various country provinces. All of these subsidiaries gradually merged with SBI. But the biggest merger in the history of the Indian banking sector took place recently when SBI merged itself with its five associate banks, which include State Bank of Bikaner& Jaipur, State Bank of Mysore, State Bank of Hyderabad, State Bank of Travancore and State Bank of Patiala and with the Bharatiya Mahila Bank, which had been considered as the bank exclusively for women. The merger has been discussed and criticized for a long time from the point of view of customers, employees, etc. Nowadays, where competition exists even in the banking industry, SBI is regarded as one of the most responsible and trustworthy bankers by the general public of India. The Indian banking industry has improved from a task-oriented approach to a customer-centric strategy (Hassan et al., 2016). Even the banking companies have now started insisting on customer satisfaction and the functional excellence they bring to the country's development.

Review of Literature

Abdussalam Aljadani and Hassen Toumi (2019), in the study "Causal effect of mergers and acquisitions on EU bank productivity," mentioned that the paper examines the causal effect of mergers and acquisitions (M&A) on bank productivity (Q) in 23 European Union countries and the short- and long-term relationship among fixed assets (k1), liquid assets (k2), and labor (L) over the period 1990–2013 for a sample of 156 commercial banks, of which 60 entities have acquired at least one other entity. Granger causality tests on our results reveal unidirectional causality from liquid assets to fixed assets. However, the causality between K2 and L is unobservable, and the linkage between fixed assets and labor is bidirectional. The Error Correction Term (ECT) is negative and statistically significant for all models, which denotes a bidirectional relationship among all selected variables and long-term unidirectional causality from mergers and acquisitions to bank productivity. Our long-term dynamic panel estimates indicate that the strategic ft of mergers and acquisitions has the potential to create long-term productivity improvement.

He et al. (2019) analyzed Chinese commercial banks' motives and market entry choices. Data were collected using interviews with 30 top managers based on a sample of 10 Chinese commercial banks throughout 2001-2013. The results show that Chinese commercial banks' motives were pursuing new markets, the influence of government policy, strategic asset seeking, profit enhancement, competition between Chinese banks, and risk diversification. This study also found that Chinese commercial banks mostly used greenfield and M&A modes to enter the market.

MUGO Anthony (2017), in the study "Effects of Merger and Acquisition on Financial Performance: Case Study of Commercial Banks," stated that this research aimed to determine the effects of mergers and acquisitions on the financial performance of commercial banks in Kenya. Theoretically, mergers are assumed to improve company performance due to synergies acquired, market power, enhanced profitability, and risk diversification. The research focused on the financial performance of commercial banks in Kenya, which merged between 1999 and 2005. Comparative analysis of the bank's performance pre and post-merger periods was conducted to establish whether mergers lead to improved financial performance before and after merging. Secondary data from financial statements was collected for 5 years before and after the merger and analyzed with statistical tools. A descriptive research design was used, and the banks' performance was analyzed before and after the merger to determine whether there was any effect on financial performance. The population used in this study was all the 36 Kenyan commercial banks that have undergone mergers. The study comprised 16 commercial banks that have undergone mergers between 1999 and 2005. The study used secondary data from the NSE and CBK, as well as published facts, figures, and reports for the period in which the study was conducted. The data was analyzed based on the mean. The chi-square test was computed to test the null hypothesis. The study focused on the financial performance of the merged Kenyan banks before and after the merger. A comparative analysis of the pre- and post-merger periods was carried out to establish whether mergers improve financial performance. The study established that mergers were influencing the profitability of banks.

Kwabla-King (2017) examined the merged bank's synergies, advantages, and competitive position. This article presented different motives, such as industrial power for eliminating competition, creating efficiency, expanding market power, diversification, cost reduction, tax advantages, etc. A case study and quantitative approach were adopted to collect information on operating synergy. Secondary sources were used to assess the financial synergy through a discounted cash flow model. It was concluded that the objectives of the concern were met, i.e., merged institutions acquired benefits in terms of operating and financial synergy. The study recommended that such a move should be followed in Ghana to achieve upward benefits.

Georgios Kyriazopoulos (2016), in the study "Wealth Effects from Banks Mergers and Acquisitions in Eastern Europe," highlighted that the main objective of the current study is the examination of the wealth effects emanating from the announcement of mergers and acquisitions (M&As) in Eastern Europe that took place between 1995 and 2015. Specifically, the paper's main objective is to examine the stock price reaction of both bidders and targets to the announcement of M&As. The payment method is another aspect considered when assessing the wealth effects of M&As. We use the standard event study methodology and regression analysis to gauge market reaction. The results show that targets gain significant abnormal returns around event periods, while acquirers seem to earn trivial excess returns. Moreover, cash disbursements in bank M&As boost price appreciations around event dates. The results from regression analysis reveal that the determinants of abnormal returns are market competitiveness, method of payment, and relative size.

Objectives of the study

The present study set forth the following objectives:

- To understand the concept and legal framework for mergers and acquisitions in India.
- To study the impact of mergers on the physical performance of SBI.

Hypothesis:

H_1: There is a significant difference in customer satisfaction levels regarding the services provided by SBI before and after the merger with its associates.

Research Methodology

The study is descriptive, analytical, and based on primary and secondary data. It aims to study mergers' effect on the physical performance of SBI. Primary data was collected through a questionnaire from bank employees working in various branches of SBI in Karnataka. The collected data through a questionnaire was analyzed using SPSS. Descriptive statistics such as mean, standard deviation, and percentage were used to test the effect of the merger on the performance of SBI. 1780 questionnaires were distributed to employees of SBI, of which only

1545 were found suitable for the study. During data entry, some questionnaires were rejected as they were incomplete. Hence, the total number of respondents considered for the study was 1020 customers. SPSS software was used to analyze the data. Data was subjected to both descriptive and inferential statistics. One-way ANOVA was used to test the hypotheses.

Data Analysis and Interpretation

Table 1: Customer Relationship Management

Statement	Level of perception in pre-merger					Level of perception in post-merger				
	SA	A	N	D	SD	SA	A	N	D	SD
Routinely asking customers to give feedback	86 (16.3%)	162 (30.8%)	184 (35.0%)	47 (8.9%)	46 (8.7%)	87 (16.5%)	161 (30.6%)	184 (35.0%)	47 (8.9%)	46 (8.7%)
Providing customized services and products	66 (12.5%)	185 (35.2%)	196 (37.3%)	38 (7.2%)	40 (7.6%)	156 (29.7%)	167 (31.8%)	126 (24.0%)	38 (7.2%)	38 (7.2%)
Transparent system	163 (31.0%)	126 (24.0%)	188 (35.8%)	24 (4.5%)	24 (4.5%)	87 (16.5%)	161 (30.6%)	184 (35.0%)	47 (8.9%)	46 (8.7%)
The Bank website is user-friendly	168 (32.0%)	129 (24.5%)	132 (25.1%)	48 (9.1%)	48 (9.1%)	66 (12.5%)	184 (35.0%)	196 (37.0%)	39 (7.4%)	40 (7.6%)
Communication tools are effective	152 (28.9%)	167 (31.8%)	128 (24.3%)	39 (7.4%)	39 (7.4%)	163 (31.0%)	125 (23.8%)	188 (35.8%)	25 (4.7%)	24 (4.5%)
Well-developed privacy policy	88 (16.7%)	162 (30.8%)	184 (35.0%)	45 (8.5%)	46 (8.7%)	165 (31.4%)	123 (23.4%)	136 (25.9%)	50 (9.5%)	51 (9.7%)
Increasing customer convenience	71 (13.5%)	171 (32.5%)	196 (37.3%)	43 (%8.1)	44 (8.3%)	153 (29.1%)	170 (32.3%)	126 (24.0%)	38 (7.2%)	38 (7.2%)
Consistent customer experience	162 (30.8%)	121 (23.0%)	190 (36.1%)	26 (4.9%)	26 (4.9%)	84 (16.0%)	179 (34.0%)	179 (34.0%)	41 (7.8%)	42 (8.0%)
Customer is the biggest asset to the organization	169 (32.1%)	127 (24.1%)	131 (24.9%)	50 (9.5%)	48 (9.1%)	67 (12.7%)	171 (32.5%)	199 (37.9%)	46 (8.7%)	42 (8.0%)
Retaining existing customers	150 (28.5%)	158 (30.0%)	133 (25.3%)	42 (8.0%)	42 (8.0%)	155 (29.5%)	118 (22.4%)	188 (35.8%)	32 (6.0%)	32 (6.0%)
Conducting customer loyalty programmed	87 (16.5%)	167 (31.8%)	183 (34.8%)	44 (8.3%)	44 (8.3%)	162 (30.8%)	149 (28.3%)	125 (23.8%)	44 (8.3%)	45 (8.5%)
Excellent employee response	77 (14.6%)	170 (32.3%)	192 (36.5%)	43 (8.1%)	43 (8.1%)	162 (30.8%)	152 (28.9%)	123 (23.4%)	44 (8.3%)	44 (8.3%)
ATMs are adequately provided	163 (31.0%)	126 (24.0%)	183 (34.8%)	27 (5.1%)	26 (4.9%)	85 (16.1%)	159 (30.2%)	184 (35.0%)	49 (9.3%)	48 (9.1%)

Source: Primary Data Compiled by the Researcher

The table presents comparative data on employees' perception levels regarding various aspects of Customer Relationship Management (CRM) before and after a merger. Perception levels remained almost unchanged pre and post-merger, with a slight increase in those who strongly agree (from 16.3% to 16.5%). Post-merger, there was a significant increase in strong agreement (from 12.5% to 29.7%), indicating an enhanced perception of customized services. A notable decrease in strong agreement post-merger (from 31.0% to 16.5%) suggests a drop in perceived transparency.

Post-merger, perceptions shifted positively, with a decrease in strong agreement (32.0% to 12.5%) but an increase in agreement (24.5% to 35.0%), indicating mixed reactions to website usability improvements. Post-merger, strong agreement increased (from 28.9% to 31.0%), suggesting an improvement in the effectiveness of communication tools. Strong agreement rose post-merger (from 16.7% to 31.4%), indicating a significant positive shift in perceptions of privacy policies.

A slight increase in strong agreement post-merger (from 16.5% to 30.8%) shows improved perceptions of loyalty programs. The strong agreement remained stable post-merger (30.8%), indicating consistent perceptions of employee responsiveness. Post-merger, a slight increase in strong agreement (from 31.0% to 16.1%) showed a positive shift in ATM provision perceptions. The data suggests that perceptions in several CRM areas improved post-merger, particularly regarding customized services, privacy policies, and loyalty programs. However, some places, like transparency and the customer's perception as the most significant asset, saw declines in strong agreement, indicating areas for improvement.

Table 2: Descriptive Statistics of Customer Relationship Management

	Valid	Mean	Std. Deviation
Routinely asking customers to give feedback	525	3.371	1.126
Providing customized services and products	525	3.379	1.044
Transparent system	525	3.724	1.090
The Bank website is user-friendly	525	3.611	1.270
Communication tools are effective	525	3.674	1.181
Well-developed privacy policy	525	3.383	1.127
Increasing customer convenience	525	3.347	1.080
Consistent customer experience	525	3.699	1.107
Customer is the biggest asset to the organization	525	3.608	1.275
Retaining existing customers	525	3.632	1.203
Conducting customer loyalty programmed	525	3.398	1.115
Excellent employee response	525	3.371	1.088
ATMs are adequately provided	525	3.710	1.109

Source: Output from SPSS

The table presents descriptive statistics on various Customer Relationship Management (CRM) components based on responses from 525 participants, likely reflecting their experiences with a banking institution. The components are assessed on an unspecified scale, with the mean scores indicating average responses and standard deviations (Std. Deviation) illustrating the variability or consensus among responses.

The mean score of 3.371 suggests that there is a moderate practice of soliciting feedback from customers. The standard deviation of 1.126 indicated some variability in customer experiences when asked for feedback. The mean score of 3.379 showed a moderate level of customization in services and products offered to customers. The standard deviation 1.044 suggested relatively consistent customer experiences regarding product and service customization.

The mean score of 3.724 indicated that customers perceive the system as transparent. The standard deviation of 1.090 showed a moderate range of views on system transparency. The mean score of 3.611 suggested that the bank's website is relatively user-friendly. The standard deviation of 1.270, the highest, indicated significant variability in opinions on the website's user-friendliness.

The mean score of 3.398 indicated a moderate implementation of customer loyalty programs. The standard deviation of 1.115 showed some variation in experiences with loyalty programs. The mean score of 3.371 suggested moderate excellence in employee response to customer needs. The standard deviation of 1.088 indicated moderate variability in perceptions of employee responsiveness. The mean score of 3.710 indicated customers generally find the provision of ATMs adequate. The standard deviation of 1.109 suggested some variation in views on ATM adequacy.

Overall, the statistics suggest that while there is a moderate to positive perception of the bank's CRM efforts across various dimensions, there is also notable variability in customer experiences and perceptions. This variability highlights areas where the bank could improve consistency and further enhance customer satisfaction.

Testing of Hypothesis:

H_1: There is a significant difference in customer satisfaction levels regarding the services provided by SBI before and after the merger with its associates.

Table 3: Results of ANOVA (Pre-Merger)

		Sum of Squares	df	Mean Square	F	Sig.
I have faced complicated formalities while opening an account with the bank	Between Groups	19.461	4	4.865	21.948	.000
	Within Groups	183.993	830	.222		
	Total	203.454	834			
The attitude of bank officials is unfavorable	Between Groups	12.451	4	3.113	9.629	.000
	Within Groups	268.334	830	.323		
	Total	280.786	834			
	Between Groups	8.957	4	2.239	9.896	.000
	Within Groups	187.810	830	.226		

There is always a need for repeated visits to the bank to avail services	Total	196.766	834			
There is a lack of proper guidance from bankers	Between Groups	19.550	4	4.888	21.900	.000
	Within Groups	185.240	830	.223		
	Total	204.790	834			
Computerization keeps my Account prone to hacking	Between Groups	5.230	4	1.307	1.731	.141
	Within Groups	626.962	830	.755		
	Total	632.192	834			
Long waiting hours in the bank wastes time	Between Groups	27.156	4	6.789	22.548	.000
	Within Groups	249.914	830	.301		
	Total	277.071	834			
There is less awareness about the services provided by the bank	Between Groups	14.347	4	3.587	17.171	.000
	Within Groups	173.377	830	.209		
	Total	187.725	834			
It isn't easy to communicate with bank officials and address queries	Between Groups	11.639	4	2.910	5.654	.000
	Within Groups	427.116	830	.515		
	Total	438.754	834			
There are problems faced while doing transactions	Between Groups	40.926	4	10.231	33.744	.000
	Within Groups	251.661	830	.303		
	Total	292.587	834			
The transactions are not secure, and there is a risk of online fraud always	Between Groups	40.558	4	10.139	17.739	.000
	Within Groups	474.429	830	.572		
	Total	514.987	834			
Lack of knowledge in the customer about loans and insurance	Between Groups	7.500	4	1.875	2.359	.052
	Within Groups	659.583	830	.795		
	Total	667.083	834			
Technology is making it difficult to deal with the bank	Between Groups	19.030	4	4.758	15.895	.000
	Within Groups	248.424	830	.299		
	Total	267.454	834			
The banks do not provide prompt and efficient service	Between Groups	38.082	4	9.521	19.433	.000
	Within Groups	406.632	830	.490		
	Total	444.714	834			
There is a need to improve the services provided by the bank	Between Groups	51.683	4	12.921	16.030	.000
	Within Groups	669.030	830	.806		
	Total	720.714	834			
Adoption of technology for banking is not enhancing the quality of services	Between Groups	22.668	4	5.667	35.767	.000
	Within Groups	131.507	830	.158		
	Total	154.175	834			
The bank charges unwanted and unnecessary charges	Between Groups	11.635	4	2.909	15.068	.000
	Within Groups	160.228	830	.193		
	Total	171.863	834			
	Between Groups	1.093	4	.273	.569	.686
	Within Groups	399.034	830	.481		

There is no timely support from the bank	Total	400.127	834			
There is a delay in sanctioning a loan	Between Groups	28.560	4	7.140	15.515	.000
	Within Groups	381.967	830	.460		
	Total	410.527	834			
There is political interference in the Lending Process	Between Groups	1.072	4	.268	.655	.624
	Within Groups	339.659	830	.409		
	Total	340.731	834			
There are long procedures for business loans in SBI	Between Groups	11.360	4	2.840	5.954	.000
	Within Groups	395.933	830	.477		
	Total	407.293	834			
There are long procedures for personal loans in SBI	Between Groups	23.257	4	5.814	7.374	.000
	Within Groups	654.486	830	.789		
	Total	677.744	834			
There are long procedures for education loans in SBI	Between Groups	6.279	4	1.570	4.066	.003
	Within Groups	320.471	830	.386		
	Total	326.750	834			
The bank rejects the loan for unprecedented reasons	Between Groups	7.647	4	1.912	15.133	.000
	Within Groups	104.849	830	.126		
	Total	112.496	834			
High interest rates are charged on personal loans for borrowers	Between Groups	29.547	4	7.387	13.577	.000
	Within Groups	451.574	830	.544		
	Total	481.121	834			
Credit score issues impact taking a loan from the bank at a time of urgent need	Between Groups	34.662	4	8.665	21.230	.000
	Within Groups	338.780	830	.408		
	Total	373.442	834			

Source: Output from SPSS

The table provided shows the results of an Analysis of Variance (ANOVA) conducted on various statements related to banking experiences before a merger. The F-statistic is 21.948 with a significant p-value (Sig.) of .000, indicating significant differences in opinions among different groups (perhaps different branches or demographics) regarding customers' difficulty opening a bank account. The F-statistic is 9.629 with a significant p-value of .000, indicating significant differences in opinions regarding the attitude of bank officials.

The F-statistic is 9.896 with a significant p-value of .000, indicating significant differences in opinions regarding the need for repeated visits. The F-statistic is 21.900 with a significant p-value of .000, indicating significant differences in opinions regarding the level of guidance. The F-statistic is 1.731 with a non-significant p-value of .141, indicating no significant differences in opinions regarding this statement. Perceptions of account vulnerability due to computerization did not significantly differ among groups, suggesting a consensus or lack of concern among participants.

Customers experience long waiting times significantly, with a high F-value suggesting a common issue across groups. There is a significant variation in the awareness of bank services among customers, indicating that not all customers are equally informed. Customers significantly find it difficult to communicate with bank officials, indicating a potential area for improvement in customer service. Customers face significant issues during transactions, as indicated by a high F-value, suggesting widespread problems.

Customers significantly experience delays in the loan sanctioning process, indicating inefficiencies in processing loan applications. Perceptions of political interference in the lending process did not significantly differ among groups, indicating either a consensus or a lack of awareness of this issue. Customers perceive the procedures for obtaining business loans as lengthy, suggesting a need for process optimization. Like business loans, personal loan procedures are also significantly perceived as long, indicating a common issue in loan processing.

The process for obtaining education loans is significantly considered lengthy, though the significance level is slightly higher, indicating less consensus than other loan types. Customers significantly perceive loan rejections for unprecedented reasons, suggesting possible miscommunication or lack of transparency in the evaluation process. Customers perceive the interest rates on personal loans as high, indicating concerns over loan affordability. The impact of credit score issues on obtaining loans during urgent times is significantly perceived, indicating the critical role of credit history in loan approval processes.

Table 4: Results of ANOVA (Post-Merger)

		Sum of Squares	df	Mean Square	F	Sig.
I have faced complicated formalities while opening an account with the bank	Between Groups	22.935	4	5.734	31.265	.000
	Within Groups	152.215	830	.183		
	Total	175.150	834			
The attitude of bank officials is unfavorable	Between Groups	54.274	4	13.569	31.442	.000
	Within Groups	358.181	830	.432		
	Total	412.455	834			
	Between Groups	35.993	4	8.998	20.142	.000
	Within Groups	370.792	830	.447		

There is always a need for repeated visits to the bank to avail services	Total	406.786	834			
There is a lack of proper guidance from bankers	Between Groups	12.787	4	3.197	6.007	.000
	Within Groups	441.721	830	.532		
	Total	454.508	834			
Computerization keeps my Account prone to hacking	Between Groups	49.507	4	12.377	17.920	.000
	Within Groups	573.267	830	.691		
	Total	622.774	834			
Long waiting hours in the bank wastes time	Between Groups	28.553	4	7.138	20.146	.000
	Within Groups	294.098	830	.354		
	Total	322.651	834			
There is less awareness about the services provided by the bank	Between Groups	46.764	4	11.691	18.488	.000
	Within Groups	524.872	830	.632		
	Total	571.636	834			
It isn't easy to communicate with bank officials and address queries	Between Groups	21.223	4	5.306	7.941	.000
	Within Groups	554.542	830	.668		
	Total	575.765	834			
There are problems faced while doing transactions	Between Groups	45.900	4	11.475	15.958	.000
	Within Groups	596.850	830	.719		
	Total	642.750	834			
The transactions are not secure, and there is a risk of online fraud always	Between Groups	8.476	4	2.119	3.792	.005
	Within Groups	463.787	830	.559		
	Total	472.263	834			
Lack of knowledge in the customer about loans and insurance	Between Groups	3.195	4	.799	1.375	.241
	Within Groups	482.259	830	.581		
	Total	485.454	834			
Technology is making it difficult to deal with the bank	Between Groups	22.444	4	5.611	6.977	.000
	Within Groups	667.441	830	.804		
	Total	689.885	834			
The banks do not provide prompt and efficient service	Between Groups	13.732	4	3.433	5.268	.000
	Within Groups	540.838	830	.652		
	Total	554.570	834			
There is a need to improve the services provided by the bank	Between Groups	21.443	4	5.361	6.272	.000
	Within Groups	709.388	830	.855		
	Total	730.831	834			
	Between Groups	31.244	4	7.811	13.098	.000
	Within Groups	494.976	830	.596		

Adoption of technology for banking is not enhancing the quality of services	Total	526.220	834			
The bank charges unwanted and unnecessary charges	Between Groups	12.385	4	3.096	4.453	.001
	Within Groups	577.064	830	.695		
	Total	589.449	834			
There is no timely support from the bank	Between Groups	17.742	4	4.435	3.891	.004
	Within Groups	946.119	830	1.140		
	Total	963.861	834			
There is a delay in sanctioning a loan	Between Groups	9.123	4	2.281	3.597	.006
	Within Groups	526.199	830	.634		
	Total	535.322	834			
There is political interference in the Lending Process	Between Groups	43.683	4	10.921	22.038	.000
	Within Groups	411.292	830	.496		
	Total	454.975	834			
There are long procedures for business loans in SBI	Between Groups	15.094	4	3.773	7.744	.000
	Within Groups	404.456	830	.487		
	Total	419.550	834			
There are long procedures for personal loans in SBI	Between Groups	167.383	4	41.846	49.815	.000
	Within Groups	697.223	830	.840		
	Total	864.606	834			
There are long procedures for education loans in SBI	Between Groups	31.555	4	7.889	9.586	.000
	Within Groups	683.073	830	.823		
	Total	714.628	834			
The bank rejects the loan for unprecedented reasons	Between Groups	104.039	4	26.010	37.081	.000
	Within Groups	582.182	830	.701		
	Total	686.220	834			
High interest rates are charged on personal loans for borrowers	Between Groups	8.322	4	2.080	3.102	.015
	Within Groups	556.739	830	.671		
	Total	565.061	834			
Credit score issues impact taking a loan from the bank at a time of urgent need	Between Groups	4.665	4	1.166	2.829	.024
	Within Groups	342.130	830	.412		
	Total	346.795	834			

Source: Output from SPSS

The table provides results from an Analysis of Variance (ANOVA) conducted post-merger to assess various customer perceptions and issues related to banking services. The data shows a significant difference between groups ($F=31.265$, $p<.000$), indicating that customers' experiences with complicated formalities vary significantly. There is a significant variation in perceptions regarding the attitude of bank officials ($F=31.442$, $p<.000$), suggesting notable differences in customer experiences.

Customers' need for repeated visits to avail services also significantly differs among groups ($F=20.142$, $p<.000$), highlighting inconsistency in service efficiency. A statistically significant difference in the perception of guidance provided by bankers ($F=6.007$, $p<.000$) suggests variability in customer support quality. The concern about computerization leading to account vulnerability shows significant group differences ($F=17.920$, $p<.000$), indicating varied customer trust levels in digital security.

The analysis reveals significant differences in experiences related to waiting times ($F=20.146$, $p<.000$), pointing to inefficiencies in managing customer time. There are significant differences in customer awareness about bank services ($F=18.488$, $p<.000$), indicating potential gaps in communication or education efforts. Customers' ability to communicate and address queries with bank officials significantly varies ($F=7.941$, $p<.000$), suggesting disparities in customer service quality. There is a significant difference in experiences with transaction issues ($F=15.958$, $p<.000$), highlighting potential operational inconsistencies.

The data indicates significant differences in experiences with loan sanctioning delays ($F=3.597$, $p=.006$), suggesting inefficiencies in the loan approval process. Significant differences in perceptions of political interference in lending processes ($F=22.038$, $p<.000$) highlight concerns over fairness and transparency. Significant differences in experiences with business loan procedures in SBI ($F=7.744$, $p<.000$) suggest variability in procedural efficiency. Significant differences in the length of personal loan procedures in SBI ($F=49.815$, $p<.000$) indicate substantial variance in process efficiency.

The variability in education loan procedures in SBI is significant ($F=9.586$, $p<.000$), pointing to inconsistencies in handling such loans. Significant differences in loan rejection reasons ($F=37.081$, $p<.000$) suggest variability in lending criteria or decision-making processes. There are significant differences in perceptions of interest rates on personal loans ($F=3.102$, $p=.015$), indicating concerns over rate fairness or competitiveness. The effect of credit score issues on obtaining loans in urgent situations shows significant differences ($F=2.829$, $p=.024$), highlighting the influence of creditworthiness assessments.

Conclusion

The enhancement of work culture, increased collaboration, and innovation post-merger highlight the importance of cultural integration in the success of M&As. While operational and strategic synergies are crucial, the human element of mergers—particularly how well the merging entities' cultures and values align—plays a significant role in the overall success of the merger. Investigating the methods and practices facilitating effective cultural integration could provide valuable insights for future M&A activities. The findings related to employee motivation and job satisfaction post-merger emphasize the need for ongoing support and development opportunities for employees in the aftermath of M&A activities. Ensuring employees feel valued, secure, and motivated is critical for maintaining operational continuity and fostering innovation.

Further research could examine the long-term effects of mergers on employee well-being and the effectiveness of different strategies in promoting a positive work environment. While this study provides comprehensive insights into the merger of SBI and its associates, it also presents limitations that pave the way for future research. The focus on immediate post-merger outcomes offers a snapshot of the merger's impact but does not capture the long-term effects and sustainability of the observed improvements. Longitudinal studies could provide a more detailed understanding of how the benefits of the merger evolve and how the bank navigates emerging challenges in the banking industry. Additionally, the study's focus on a single merger event limits its generalizability to other contexts or banking sectors in different geographic regions. Comparative studies involving multiple banking M&As across various markets could enrich the understanding of the factors contributing to such endeavors' success or failure.

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