

STRESS AMONG BANK OFFICERS IN THE CONTEXT OF CANARA - SYNDICATE MERGER

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Abstract

Restructuring like mergers provide synergies and competitive advantages, but there are several emotional, physical and survival issues related with employees. The main intention behind this study was to understand the stress arose among the officers of acquired bank due to Syndicate bank and Canara Bank merger .133 officers of Canara Bank who were the employees of Syndicate Bank from Kozhikode region in Kerala were taken as sample. Paired sample t test, ANOVA, Chi square test and Percentage analysis were applied in the analysis and interpretation of the data. The results revealed that there is significant difference between before and after Canara - Syndicate merger regarding all other factors of occupational stress except transfer and there exist occupational stress with regard to some factors among the bank officers after merger.

Key words: Stress, merger, bank officers

JEL Codes: G21, M12 and O11

Introduction

Merger and acquisition in the banking sector of India brought out a range of restructuring in the financial sector as well as in the economy. Even though merger and acquisitions provide synergies and competitive advantages, there are several emotional, physical and survival issues related with employees. In the ordinary conditions itself work pressures, tight schedules, late ending meetings, uncooperative colleagues, critical superiors, hopeless assistants and lots of other frustrating factors may create several issues to the officers in the modern era (R.Dhanaraj, 2012)). Organisational changes may also add to these stressful situations.

In August 2016, SBI approved the merger of its operations with five of its associate banks, namely State Bank of Bikaner and Jaipur, State Bank of Hyderabad, State Bank of Patiala, State Bank of Travancore, besides State Bank of Mysore and in April 2017, State Bank of India merged with Bharatiya Mahila Bank to ensure greater banking outreach. A mega-

merger of 10 Public Sector Undertaking (PSU) banks in India into four was occurred with effect from 1st April 2020. Canara and Syndicate banks merger was one among them.

Literature review

1. Manisha(2018) conversed about the motives financial implications, trend, issues and concerns of mergers and acquisitions in Indian banking sector. The data was accumulated from prowess – a database for Indian Corporate Sector built by the CMIE (Centre for Monitoring Indian Economy) and different official websites of the related banks. Ratio analysis, pre and post merger means, paired t-test etc. were exercised as tools of data analysis .Sample banks were IBO, PNB, HDFC, ICICI, BOB and OBC. Pre to post-merger scrutiny has been done and established that there was a positive change in the performance of all the sample merged banks in terms of stability, monetary and economical aspects. The study identified the merger and acquisition activities in Indian banking revolution as inevitable.
2. Deepika Agarwal(2018) evaluated the job stress of staffs in public and private sector banks in the Jaipur District of Rajasthanby considering Punjab National Bank and ICICI bank. 550 employees from 130 branches (60 branches from PNB and 70 from ICICI) were chosen as sample by applying convenience sampling method. One set of Questionnaire was given to them for primary data and 440 utilizable questionnaires were received. Chi-square test, ANOVA, factor analysis, t-test, Arithmetic Mean, Standard Deviation and Linear Regression were employed to analyse the data. 47.3% respondents experienced moderate level of stress and 48.2 % agreed that they had moderate level of impact of job stress.
3. Anant Lakshendra (2017) scrutinized the impact of employees' length of service on role stress by comparing public and private sector banks in Western Uttar Pradesh. Banks, their branches and the employees of the banks were chosen by using convenience sampling method. State Bank of India, Punjab National Bank, Bank of Baroda, Oriental Bank of Commerce and Canara Bank from Public sector banks and Private sector banks such as HDFC Bank, ICICI Bank, Kotak Mahindra Bank, Axis Bank and Yes Bank were selected as sample banks for the study. 68 branches of Public banks contributing 304 respondents and 52 branches of Private sector banks contributing 270 respondents from Western Uttar Pradesh were finally decided as sample size. Organizational role stress (ORS) Scale originated by Prof. Pareek utilized to measure organizational role stress. Data analysis was done by using the statistical techniques like percentage, average, multiple regression analysis, ANOVA etc. Study revealed that there is no significant effect of length of service with banking sector and demographic variables on organizational role stress of employees. The study provided further scope in conducting studies by taking organizational role stress as independent variable and job satisfaction with organizational commitment and emotional intelligence etc. as dependent variables.
4. R.Dhanaraj (2012) examined the influence of organizational variables such as conflict, blocked career, alienation, work overload, and adverse work environment etc. on job stress with special reference to public sector bank employees in Chennai. 700 employees from nationalised banks in Chennai city were selected as sample by

using random sampling technique. Employees of State Bank of India, Canara Bank, Union Bank, Indian Overseas Bank, Indian Bank, Syndicate Bank and Vijaya Bank were included in the population. 56.0% of the respondents were male and 63.6% of the employees belong to the age group 30-40 in this study. A greater part of the employees experience rigorous stress-related disorders and a lot of emotional issues mostly due to work pressure and work life imbalance were the major conclusion of the study.

Statement of the problem

The major and the foremost reasons for failure of merger was self- determined, self interest, economic - boundaries, cultural –clash, all included or lies in leadership Manisha. (2018). Employee morale is a reflection of the expected career progression in the organization and the extent to which an employee’s psychological and material needs are validated. Finding answer to the question whether the officer’s interest were protected in the latest banking sector mergers was the key problem behind this study.

In addition to the above, The Mathrubhumi, April 10, (2021) reported suicide of a female bank manager of Canara Bank inside the branch at Kannur after the Canara-Syndicate merger. She got promotion in September and transferred from Thrissur to Kannur. She became a widow two years before and her children were studied at Thrissur. She was written non performance in the job as the reason for the suicide in a diary.

This study entitled “Stress among bank officers in the context of Canara -Syndicate merger” is an attempt to analyze the effect of change in working environment and business procedures due to merger and acquisition upon bank officers by referring merging of Canara and Syndicate banks.

Objectives of the study

1. To examine the cause and effect relationship of merger and stress.
2. To compare the occupational stress arose in the officers of the acquired bank before and after Canara - Syndicate merger.
3. To analyse whether there is any difference in the stress level of officers of the acquired bank after merger based on age group.
4. To understand whether there is any relationship between gender and education level of the bank officers.

Variables of the study

Independent variables: Merger, Age and Gender

Dependent variables: Stress and Education level

Hypotheses:

H0.1: There is no significant difference between before and after merger of Canara - Syndicate bank regarding the factors of occupational stress arose among the officers of the acquired bank.

H0.2: There is no significant difference between officers of different age groups in the acquired bank regarding the factors of occupational stress after Canara - Syndicate merger.

H0.3: There is no significant association between gender and education level of the bank officers.

Research methodology

This study is a causal research which studies merger as a cause for stress among the bank officers. 133 officers of Canara Bank who were the employees of Syndicate Bank from 42 branches of Kozhikode region in Kerala were selected as sample by applying simple random sampling method and snow ball sampling. A questionnaire was prepared and distributed through personal visit as well as by using 'Google form' for collecting primary data from the officers of Canara Bank who were in Syndicate Bank before merger in the Kozhikode region of Kerala. Internet, books, journals, theses, newspapers, published records etc were explored for getting secondary data. Sampling unit is bank officers who were working in Syndicate Bank before Canara - Syndicate merger in the Kozhikode region of Kerala. Individual bank officers are treated as sample element. Techniques such as Mean, Paired sample t test, ANOVA, Chi square test and Percentage analysis were adopted in the analysis and interpretation of the data. January 2022 was the period of study.

Limitations of the study

1. Selection of appropriate branches and employees who have been much affected by the merger was difficult.
2. The busy schedule of the bank officers may be affected the responses.
3. Some bank officers were reluctant to response.

ANALYSIS AND DISCUSSION

Table1: Demographic profile of the respondents

Parameter	Frequency (133)	Percentage (%)
Gender		
Male	93	70
Female	40	30
Age		
26-35	47	35
36-45	78	59
46-60	8	6
Educational level		
Post graduates	94	71
Graduates	39	29

Source: Primary data

Analysis exposes that 70% of the respondents are male and 30% of the respondents are female. Regarding education level, 71 % of the respondents are post graduates and 29% of respondents are graduates. 59% of respondents are coming under the age group of 36-45. (Table 1)

Table 2: Location of the branch in which the officers are working

Location of the branch	Before merger		After merger	
	Frequency(133)	Percentage (%)	Frequency(133)	Percentage (%)
Panjayath	53	40	47	35
Municipality	27	20	47	35
Corporation	53	40	39	29

From the table 2, it can be inferred that before merger, majority of the employees were working in panjayaths and corporation (40 % each) but after merger it was shifted to panjayaths and municipalities (35% each).

H0.1: There is no significant difference between before and after of Canara - Syndicate bank merger regarding the factors of occupational stress arose among the officers of the acquired bank.

Table 3: Occupational stress arose among the officers of the acquired bank the before and after of Canara - Syndicate bank merger

Sl. No.	Factors of occupational stress	Before merger		After merger		Mean difference	t-test	P value
		Mean	SD	Mean	SD			
1	Work over time	2.5537	1.43149	3.7686	1.44199	-1.21488	-7.888	0.000
2	Inadequate support from management	2.1654	1.29790	3.9023	1.30770	-1.73684	-11.313	0.000
3	Indifferent behaviour of superiors	2.1955	1.32264	3.6466	1.35510	-1.45113	-8.162	0.000
4	Indifferent deeds from colleagues	1.6917	1.02381	2.7368	1.35342	-1.04511	-7.843	0.000
5	Indifferent manners of customers	1.9925	1.01127	2.8045	1.41667	-0.81203	-7.969	0.000

STRESS AMONG BANK OFFICERS IN THE CONTEXT OF CANARA -SYNDICATE MERGER

6	Insufficient infrastructural facility	2.4286	1.15657	3.5564	1.32810	-1.12782	-8.216	0.000
7	Inability to fiddle with the new technology	1.9609	1.13222	3.3359	1.47032	-1.37500	-10.552	0.000
8	Recurrent changes	2.1290	1.15447	3.1855	1.38732	-1.05645	-6.133	0.000
9	Heavy work load	2.3065	1.08334	4.0726	1.09078	-1.76613	-13.844	0.000
10	Works of repetitive nature	2.6129	1.14558	3.4919	1.14406	-0.87903	-6.255	0.000
11	Unfeasible targets	2.3548	1.26358	4.2177	1.09367	-1.86290	-12.357	0.000
12	Improper Scale of pay	2.2578	1.27512	2.8516	1.53228	-.59375	-5.263	0.000
13	Improper benefit schemes	1.7891	1.09869	4.3125	1.18886	-2.52344	-19.161	0.000
14	Compulsory promotion	1.6452	1.03746	2.0887	1.21650	-.44355	-4.988	0.000
15	Job insecurity	1.7258	1.04639	2.7419	1.45876	-1.01613	-8.135	0.000
16	Change in job status	1.9113	0.98783	2.5887	1.49803	-.67742	-5.218	0.000
17	Demotion	1.6371	0.85857	2.2016	1.36733	-.56452	-4.828	0.000
18	Threat of branch closure	1.4516	0.88671	3.9677	1.13292	-2.51613	-20.536	0.000
19	Compulsion to take VRS(Voluntary retirement scheme)	1.4516	0.73645	2.2258	1.28682	-.77419	-7.055	0.000

20	Threat of job loss	1.3468	.66313	2.2742	1.40463	-.92742	-6.992	0.000
21	Lack of Recognition	1.7984	1.07431	3.0645	1.46915	-1.26613	-7.977	0.000
22	Lack of Training	1.5726	0.87581	3.8629	1.35751	-2.29032	-17.358	0.000
23	Unnecessary or frequent transfer	2.5887	1.30048	2.6855	1.55844	-.09677	-.482	0.631

Paired sample t test was used to explore the occupational stress arose among the officers of the acquired bank before and after the Canara - Syndicate bank merger. Since the P value is less than 0.05, the null hypothesis is rejected with regard to the all factors of occupational stress regarding before and after the Canara - Syndicate bank merger except the factor, 'Unnecessary or frequent transfer'.

Since the P value is higher than 0.05, the null hypothesis is accepted for factor, 'Unnecessary or frequent transfer'. It indicates that there is no significant difference between before and after of Canara - Syndicate bank merger regarding the factor 'Unnecessary or frequent transfer'. It means that employees are not stressed out in the case of transfer due to merger. As the mean scores regarding this factor both before and after merger were approximately equal to 3, it can be inferred that the employees were little bit stressed out in the case of transfer even before merger.

From the above table, the results show that there is significant difference between before and after of Canara - Syndicate bank merger regarding the factors of occupational stress arose among officers of acquired bank (the officers from Syndicate bank) such as 'Work over time', 'Inadequate support from management', 'Indifferent behaviour of superiors', 'Indifferent deeds from colleagues', 'Indifferent manners of customers', 'Insufficient infrastructural facility', 'Inability to fiddle with the new technology', 'Recurrent changes', 'Heavy work load', 'Works of repetitive nature', 'Unfeasible targets', 'Improper Scale of pay', 'Improper benefit schemes', 'Job insecurity', 'Change in job status', 'Threat of branch closure', 'Lack of Recognition', and 'Lack of Training'.

Mean scores reveal that there is high occupational stress borne by the officers from Syndicate bank after the merger regarding the factors such as 'Heavy work load', 'Unfeasible targets', and 'Improper benefit schemes'. The factors such as 'Work over time', 'Inadequate support from management', 'Indifferent behaviour of superiors', 'Insufficient infrastructural facility', 'Inability to fiddle with the new technology', 'Recurrent changes', 'Works of repetitive nature', 'Threat of branch closure', 'Lack of Recognition', and 'Lack of Training' were also contributing towards stress. Mean scores regarding the factors like 'Indifferent deeds from colleagues', 'Indifferent manners of customers', 'Improper Scale of pay', 'Job insecurity', 'Change in job status' were only approximately equal to 3. So it can be inferred that there is less stress as compared to the above mentioned factors. But, in the case of 'Compulsory

promotion', 'Demotion', 'Compulsion to take VRS (Voluntary retirement scheme)' and 'Threat of job loss', there is no occupational stress among the officers from Syndicate bank even then it had been increased after the merger.

H0.2: There is no significant difference between officers of different age groups in the acquired bank regarding the factors of occupational stress after Canara - Syndicate merger.

Table 4: One-way ANOVA Table for comparing stress of bank officers due to merger on the basis of age group

SI. No.	Factors of occupational stress		Sum of Squares	df	Mean Square	F	Sig.
1	Work over time	Between Groups	4.994	2	2.497	1.285	.280
		Within Groups	244.929	126	1.944		
		Total	249.922	128			
2	Inadequate support from management	Between Groups	5.610	2	2.805	1.657	.195
		Within Groups	220.119	130	1.693		
		Total	225.729	132			
3	Indifferent behaviour of superiors	Between Groups	12.673	2	6.337	3.586	.030
		Within Groups	229.718	130	1.767		
		Total	242.391	132			
4	Indifferent deeds from colleagues	Between Groups	8.817	2	4.408	2.460	.089
		Within Groups	232.973	130	1.792		
		Total	241.789	132			
5		Between Groups	11.683	2	5.842	2.999	.053

STRESS AMONG BANK OFFICERS IN THE CONTEXT OF CANARA -SYNDICATE MERGER

	Indifferent manners of customers	Within Groups	253.234	130	1.948		
		Total	264.917	132			
6	Insufficient infrastructural facility	Between Groups	14.786	2	7.393	4.408	.014
		Within Groups	218.042	130	1.677		
		Total	232.827	132			
7	Inability to fiddle with the new technology	Between Groups	29.245	2	14.622	7.451	.001
		Within Groups	245.310	125	1.962		
		Total	274.555	127			
8	Recurrent changes	Between Groups	1.637	2	.818	.421	.657
		Within Groups	235.097	121	1.943		
		Total	236.734	123			
9	Heavy work load	Between Groups	23.141	2	11.570	11.430	.000
		Within Groups	126.539	125	1.012		
		Total	149.680	127			
10	Works of repetitive nature	Between Groups	5.084	2	2.542	1.973	.143
		Within Groups	155.908	121	1.288		
		Total	160.992	123			
11	Unfeasible targets	Between Groups	2.461	2	1.231	1.046	.354

STRESS AMONG BANK OFFICERS IN THE CONTEXT OF CANARA -SYNDICATE MERGER

		Within Groups	147.031	125	1.176		
		Total	149.492	127			
12	Improper Scale of pay	Between Groups	39.857	2	19.928	9.643	.000
		Within Groups	258.323	125	2.067		
		Total	298.180	127			
13	Improper benefit schemes	Between Groups	2.422	2	1.211	.855	.428
		Within Groups	177.078	125	1.417		
		Total	179.500	127			
14	Job insecurity	Between Groups	19.177	2	9.588	4.783	.010
		Within Groups	242.565	121	2.005		
		Total	261.742	123			
15	Change in job status	Between Groups	40.456	2	20.228	10.390	.000
		Within Groups	235.569	121	1.947		
		Total	276.024	123			
16	Threat of branch closure	Between Groups	6.775	2	3.388	2.713	.070
		Within Groups	151.096	121	1.249		
		Total	157.871	123			
17	Lack of Recognition	Between Groups	5.470	2	2.735	1.273	.284

		Within Groups	260.014	121	2.149		
		Total	265.484	123			
18	Lack of Training	Between Groups	5.972	2	2.986	1.637	.199
		Within Groups	220.698	121	1.824		
		Total	226.669	123			
19	Unnecessary or frequent transfer	Between Groups	15.441	2	7.721	3.298	.040
		Within Groups	283.293	121	2.341		
		Total	298.734	123			

From the above table, we understand that significance value for the Factors of occupational stress such as Indifferent behaviour of superiors, Insufficient infrastructural facility, Inability to fiddle with the new technology, Heavy work load, Improper Scale of pay, Job insecurity, Change in job status and Unnecessary or frequent transfer were less than level of significance (0.05). It was clear that there was statistically significant difference between officers of different age groups in the acquired bank regarding the above said factors of occupational stress after Canara - Syndicate merger. Likewise, significance value for the factor, Indifferent manners of customers and age group was 0.053, which was equal to level of significance (0.05). It was clear that there was influence of indifferent manners of customers on job stress also vary as per the age group. But in the case of factors of occupational stress such as Work over time, Inadequate support from management, Indifferent deeds from colleagues, Recurrent changes, Works of repetitive nature, Unfeasible targets, Improper benefit schemes, Threat of branch closure, Lack of Recognition and Lack of Training, there is no significant difference between officers of different age groups in the acquired bank as the significance value is greater than 0.05.

H0.3: There is no significant association between gender and education level of the bank officers.

Table 5: Gender * Educational qualification Cross tabulation

Count		Educational qualification		
		Postgraduates	Graduates	Total
Gender	Male	68	25	93
	Female	22	18	40
Total		90	43	133

Chi-Square Test

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	4.197	1	.041
Likelihood Ratio	4.086	1	.043
Linear-by-Linear Association	4.165	1	.041
N of Valid Cases	133		

It is found from the above table null hypothesis can be rejected and alternative hypothesis H_3 is accepted since the significance value is less than 0.05. So there is significant association between gender and education level of the bank officers.

CONCLUSION

Mergers will bring organizational changes. This may affect employee morale and cause occupational stress. This may lead to changes in the productivity of the employee. A mega-merger of 10 Public Sector Undertaking (PSU) banks in India into four was occurred with effect from 1st April 2020. Canara and Syndicate banks merger was one among them. The present study conducted with bank officers of Canara bank who were working in Syndicate bank before Canara - Syndicate merger included 70% of male respondents. The study revealed that there is significant difference in the factors of occupational stress of bank officers before and after Canara - Syndicate bank merger and the acquired bank's officers were highly stressed out in the factors such as 'Heavy work load', 'unfeasible targets', and 'Improper benefit schemes'.

SCOPE FOR FURTHER RESEARCH

The mergers have also influence upon management, shareholders, competition, banking operations etc. like employees which will not be much emphasized in this study.

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