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Post-Merger Employee Satisfaction in Nepal's Commercial Banks: Key Determinants and Strategic Implications

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Abstract
This study examines the effects of mergers and acquisitions (M&A) on employee job satisfaction within Nepal's commercial banking industry, emphasizing the significance of post-merger integration (PMI), communication efficacy, and job security. Data were collected from 112 workers of Prabhu Bank and Nabil Bank utilizing a descriptive and explanatory research approach through structured questionnaires. The results indicate that PMI (Beta = 0.381) is the most significant predictor of employee happiness, succeeded by job security (Beta = 0.255) and communication efficacy (Beta = 0.205). The research underscores the significance of seamless integration, clear communication, and guarantees of job security in improving employee morale and commitment during mergers. These

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findings correspond with the current literature while tackling the distinct issues of Nepal's banking system, where mergers frequently result in restructuring and alterations in roles. The report concludes with actionable advice for organizational leaders to emphasize human resource considerations during mergers, so assuring sustained success and employee happiness.

Keywords: Workplace Morale, Organizational Change, Cultural Integration, Employee Engagement

JEL Classification: G34, G21, J28, J23, M12

Introduction

Mergers and acquisitions (M&A) are strategic methods employed by corporations to promote growth, broaden market presence, and improve operational efficiency. These business strategies frequently seek to enhance resource efficiency, diminish rivalry, and refine operations, enabling companies to sustain competitiveness in swiftly changing markets. Nevertheless, although the principal emphasis of mergers and acquisitions is generally on financial and operational benefits, they can significantly impact the human aspect of an organization. The effect on employees' well-being and job satisfaction is a crucial yet frequently neglected facet of the M&A process. This issue is particularly evident in developing nations, where substantial disparities in organizational culture, employee expectations, and management practices might pose further challenges during post-merger integration (Homburg & Bucerius,2006).

Employee happiness is a crucial factor in organizational success, affecting productivity, retention rates, and general workplace morale. In the post-merger phase, elements such as job insecurity, alterations in organizational culture, modifications in job duties, and communication failures can significantly impact employees' perceptions of their work and the organization overall. Studies indicate that employees in post-merger businesses frequently encounter increased stress, worry, and frustration stemming from the ambiguity over their future within the new framework (Cartwright & Cooper, 1993). Mergers and acquisitions that emphasize good communication, transparency, and cultural alignment generally attain greater employee satisfaction, loyalty, and productivity (Bauer et al., 2016).

Although the impact of mergers on employee satisfaction has been extensively studied in industrialized nations, there is a paucity of research addressing the particular experiences of employees in emerging economies like Nepal. The banking sector in Nepal, having undergone significant consolidation in recent years, has a distinctive opportunity to examine the effects of these organizational changes on personnel. Regulatory constraints from the Nepal Rastra Bank (NRB) have compelled the consolidation of various financial organizations to enhance the stability of the financial sector. Although these mergers have tackled issues such as market fragmentation and capital deficiencies, insufficient focus has been directed on the human resource challenges that arise throughout these procedures. Nepalese firms are increasingly using mergers to maintain competitiveness.

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Comprehending the impact of these alterations on employee satisfaction is essential for guaranteeing the sustained effectiveness of these initiatives (Shrestha et al., 2021). This research aims to fill the knowledge vacuum by examining the factors that affect employee happiness in Nepali firms post-merger. Although existing studies emphasize financial and operational effects, the human resource perspective is inadequately examined, particularly in emerging economies. This study will examine the specific elements that influence employee satisfaction during the post-merger integration process, particularly within the Nepali banking sector.

This study is motivated by the necessity to enhance comprehension of the human aspects of mergers in a developing economy. Organizational culture and employee expectations may vary considerably in diverse circumstances, necessitating an examination of how these elements affect employee satisfaction. This study seeks to identify the problems employees have during post-merger integration and provide practical advice to enhance job satisfaction and facilitate smoother transitions throughout the integration process. Furthermore, the research will enhance the existing literature on mergers and acquisitions by elucidating the distinct human resource problems in Nepal and other emerging economies.

This study aims to identify the principal factors affecting employee satisfaction during the post-merger integration phase in Nepali banks, examine the particular challenges encountered by employees in these institutions, and suggest strategies to improve employee satisfaction and streamline the merger process. The study seeks to provide significant insights for organizational leaders, policymakers, and managers engaged in mergers and acquisitions (M&As) by addressing these objectives. This research is significant for its potential to enhance the human resource dimensions of mergers in Nepal, facilitating more effective, sustained, and successful organizational reforms. The study aims to assist firms in managing the intricacies of post-merger integration by prioritizing employee satisfaction, hence facilitating the long-term success of the mergers.

Literature Review

Mergers and acquisitions (M&As) in Nepal's banking sector have emerged as a vital strategy for growth and stability. The emphasis on financial outcomes is prevalent, although the effect on employee work satisfaction is vital for organizational success. This literature review examines the theoretical, conceptual, and empirical dimensions of the impact of mergers on employee satisfaction, emphasizing elements such as corporate culture, employee performance, and communication. The objective is to comprehend the impact of post-merger alterations on staff morale and motivation within Nepalese commercial banks

Psychological Contract Theory, as proposed by Rousseau (1989), indicates that employees possess implicit expectations concerning their relationship with employers. Post-merger, these anticipations may be undermined, resulting in sentiments of betrayal, diminished morale, and reduced job satisfaction. The hypothesis posits that employees' job happiness is intricately linked to their sense of the fulfillment of expectations regarding job security, position stability, and

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career advancement following a merger. In the context of Nepalese banks, where mergers frequently result in reorganization and alterations in roles, employees may experience uncertainty over their positions, so impacting overall job satisfaction. (Kandel, 2024).

Agency Theory, proposed by Jensen and Meckling (1976), elucidates the interaction between principals (owners) and agents (managers). Agency theory elucidates the potential conflict between shareholder and employee interests in the context of bank mergers. Mergers may be motivated by financial goals, such as enhancing asset size and market share, although these aims may not correspond with employees' concerns regarding job security and career progression. If employees believe that managerial choices favor the interests of shareholders or executives over their own, their job satisfaction may diminish.

Theory of Post-Merger Integration (PMI) is essential for comprehending the effectiveness of the integration between two firms following a merger. The theory asserts that effective integration of culture, systems, and individuals can enhance organizational performance and work satisfaction. Nonetheless, shortcomings in PMI frequently lead to confusion, ambiguity, and discontent among employees (Birkinshaw, Bresman, & Håkanson, 2000). In Nepalese banks, the efficient integration of personnel, policies, and Organizational culture is essential in safeguarding employee job satisfaction post-merger person job satisfaction denotes the degree of contentment a person experiences with their position, which may be affected by elements such as working conditions, compensation, professional growth, and organizational culture. Locke (1976) posits that job satisfaction is a complex, multidimensional construct influenced by internal elements (e.g., job activities) and extrinsic factors (e.g., compensation and perks). In the case of Nepalese banks, job satisfaction following a merger may be affected by alterations in responsibilities, remuneration, and the organization's stability post-consolidation.

Mergers and acquisitions (M&As) are strategic business choices aimed at consolidating two entities into a single enterprise. Corporate restructuring initiatives are typically undertaken to enhance market share, optimize efficiency, and bolster financial stability. In the Nepalese banking sector, mergers and acquisitions have been employed to tackle challenges such as elevated non-performing assets, capital adequacy standards, and competitive pressures. Although these mergers may enhance the financial stability of banks, they frequently result in organizational alterations that can adversely impact employee happiness, particularly when there is ambiguity around job security, career advancement, or workplace culture (Shrestha, 2023).

Mergers frequently lead to the integration of corporate cultures, which can either improve or diminish employee happiness. Divergences in work culture, managerial approach, and beliefs across merging organizations can result in cultural conflicts, thereby causing unease among employees. Mergers in Nepalese banks, where employees often exhibit enduring commitment to their institutions, may evoke sentiments of loss or alienation, thus diminishing job satisfaction (Dahal & Adhikari, 2023).

Numerous studies have investigated the impact of mergers in the Nepalese banking sector, concentrating on financial performance and personnel happiness. Maharjan and Koirala (2022) highlighted that mergers in Nepal's banking sector seek to tackle issues such as capital adequacy

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and non-performing assets (NPAs). These mergers were determined to enhance the financial stability of banks, yet the effect on employee satisfaction is ambiguous. Employees gain advantages from enhanced Financial stability; however, they frequently encounter job insecurity, role ambiguity, and diminished morale due to restructuring.

Paudel and Regmi (2023) demonstrated that employee satisfaction is substantially influenced by the post-merger integration process. Employees that encountered transparent communication, consistent job roles, and limited disruption in work culture indicated elevated job satisfaction following the merger. Individuals encountering heightened workloads, ambiguous job responsibilities, and erratic management communication indicated a decline in satisfaction. During the 2022 merger of Global IME Bank and Bank of Kathmandu, employees had ambivalent responses; some valued the enhanced financial resources, but others feared probable layoffs and alterations in job responsibilities (Shrestha, 2023).

Kandel (2024) investigated the effects of mergers on employee performance in Nepalese banks, revealing that although the merger strategy typically improves financial performance and market presence, employee satisfaction may diminish due to heightened workload and job insecurity. This research underscores that employee motivation is essential in influencing the long-term success of mergers. When employees believe their job security and professional advancement are jeopardized, their happiness levels typically diminish. This discovery is especially pertinent to Nepal's commercial banking sector, where mergers frequently lead to organizational reorganization and alterations in job responsibilities.

Dahal and Adhikari (2023) examined the relationship between elevated NPAs and employee job satisfaction. The amalgamation of banks with elevated NPAs facilitated risk mitigation through operational consolidation; nonetheless, this also resulted in heightened staff workload and ambiguity around job security. The research indicated that employees in banks with elevated NPAs prior to the merger reported diminished job satisfaction owing to concerns of downsizing and restructuring.

Effective communication is essential for sustaining staff morale post-merger.

Bhattarai (2023) research found that inadequate communication concerning organizational changes, role clarity, and the future direction of the merged bank resulted in heightened discontent. Conversely, clear and open communication alleviated negative sentiments and enhanced employee satisfaction.

Bhattarai (2020) aimed to assess the impact of perceived workplace ostracism on knowledge-withholding behavior and the moderating role of job contracts in this relationship. Perceptual and cross-sectional data were collected from employees in the Nepalese co-operative industry, with 329 responses analyzed using SPSS. A positivist research philosophy and deductive reasoning approach were employed to analyze the quantitative data. The findings revealed that workplace ostracism had a positive impact on knowledge-withholding behavior. Job contracts moderated this relationship, with permanent employees showing a positive impact on knowledge-withholding behavior, while temporary employees were unaffected by workplace ostracism. Several implications and future research directions were suggested.

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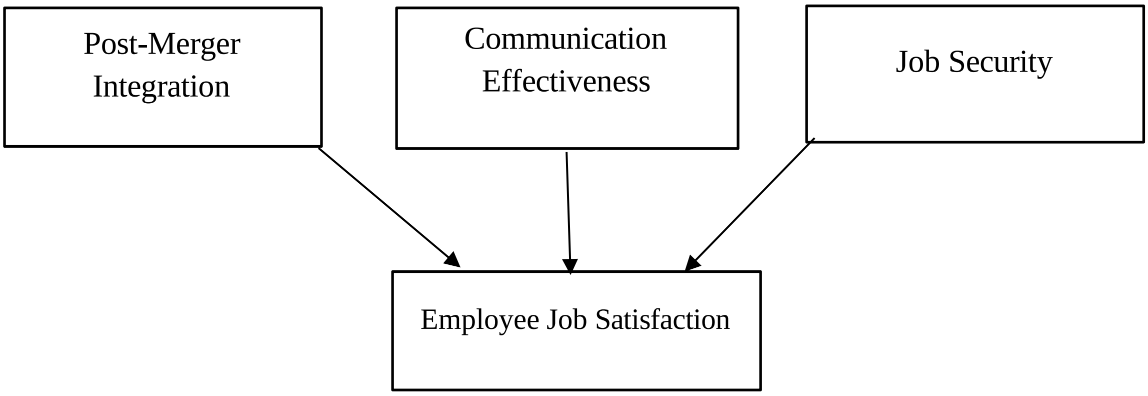
Conceptual Framework:

Studies on mergers within Nepal's banking sector underscore critical determinants affecting employee job satisfaction. Birkinshaw et al. (2000) underscore the significance of post-merger integration, whilst Bhattarai (2023) and Paudel and Regmi (2023) highlight



the relevance of communication. Job security, as indicated by Kandel (2024) and Dahal and Adhikari (2023), profoundly influences contentment. Research conducted by Maharjan and Koirala (2022) and Shrestha (2023) indicates varied employee responses stemming from alterations in responsibilities, workload, and financial security.

Post-Merger Integration (PMI): The procedure of amalgamating entities following a merger, synchronizing operations, culture, and systems. Effective integration improves efficiency, whereas inadequate integration may lead to employee uncertainty and unhappiness (Birkinshaw et al., 2000). Communication Efficacy: The lucidity and openness of information disseminated throughout the organization, particularly during mergers. Effective communication alleviates tension and mitigates misunderstandings, hence enhancing employee morale (Paudel & Regmi, 2023; Bhattarai, 2023).

Job Security: Employees' assessment of the stability of their positions following the merger. Job insecurity, frequently a concern during mergers, may result in diminished morale and satisfaction (Kandel, 2024; Dahal & Adhikari, 2023).

Employee Job Satisfaction: The degree of fulfillment employees experience regarding their employment. It is affected by factors such as working conditions, remuneration, and job security. Mergers can influence satisfaction by altering roles, workload, and corporate culture (Locke, 1976; Shrestha, 2023).

H1: Post-Merger Integration significantly enhances Employee Job Satisfaction.
H2: The effectiveness of communication significantly enhances employee job satisfaction.
H3: Job security exerts a substantial beneficial influence on employee job satisfaction.
This study aims to address the gap in the literature by offering insights into the human resource aspects of mergers and acquisitions, with a particular emphasis on employee job satisfaction within the Nepali banking sector. Comprehending these variables would enhance the overall efficacy of mergers by emphasizing the importance of employee happiness and its contribution to a seamless integration.

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Methodology

This study used a descriptive and explanatory research approach to investigate the effect of mergers on employee job satisfaction within Nepal's commercial banking sector. The study examines personnel from Prabhu Bank and Nabil Bank who have been with the firm for a minimum of one year post-merger. The research will employ a non-random purposive sample technique to identify persons directly impacted by the merger and possessing pertinent experience. The anticipated sample size will encompass roughly 100 workers from the two banks. The sample size aligns with comparable research in the Nepalese banking industry, which generally utilize sample sizes between 100 and 200 to ensure statistical validity while accounting for resource limitations (Thakur & Paudel, 2024; Neupane & Lamichhane, 2024). A systematic questionnaire will be employed to gather primary data, utilizing a Likert scale (1 = Strongly Disagree, 4 = Strongly Agree) to evaluate replies.

The gathered data will undergo analysis employing both descriptive and inferential statistical methods. Descriptive statistics, encompassing measures of central tendency (mean, median) and variability (standard deviation), will encapsulate the principal attributes of the data. Inferential statistics, including regression analysis and correlation, will be employed to investigate the relationships among variables. Statistical applications, like SPSS or R, will be utilized to guarantee precise and efficient analysis.

The results will be displayed using tables, graphs, and charts to ensure a clear and succinct representation of the findings.

Cronbach's Alpha will be utilized to assess the internal consistency of the questionnaire, so confirming that the survey items accurately measure the targeted constructs, ensuring the study's reliability and validity. Content validity will be determined by correlating the survey items with recognized theories of job satisfaction and integrating input from the pre-test.

Model Specification

Given are the regression emergence of investment decision-making towards interior and overconfidence, herd behavior, risk perception, emotional biases, and financial literacy. $Y= \alpha+ \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e_t$ ----------------------------(i)

Where,

Y= Employee job satisfaction α= constant

β_1 = Coefficient of post-merger integration

X_1 = post-merger integration

β_2 = Coefficient of communication effectiveness

X_2 = Communication Effectiveness

β_3 = Coefficient of job security

X_3 = job security

e_t = error terms.

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Results and Discussion

Demographics status of respondents

The demographic profile of the responders indicates a varied and equitable sample for gender, hierarchical positions, and organizational association. The study features approximately equal representation of male and female employees, guaranteeing a thorough perspective on job satisfaction across genders. Respondents have diverse position levels, with a notable proportion in officer and assistant roles, while a smaller number are in management and executive positions. This distribution emphasizes non-executive personnel, who may be more significantly affected by post-merger alterations. Moreover, the participants are predominantly associated with two principal banks, one of which exhibits somewhat greater representation, potentially impacting the study's outcomes due to the distinct dynamics of each institution. The demographic profile offers a comprehensive framework for evaluating post-merger employment satisfaction.

Table 1

Demographics status of respondents

1.Gender	**Frequency**	**Percentage**
Male	55	49.1%
Female	57	50.9%
2.Position		
Assistant Level	35	31.3%
Officer	39	34.8%
Management Level	29	25.9%
Executive level	9	8%
3.Banks		
Nabil Bank	56	50%
Prabhu Bank	55	49.1%

Note; Questionnaire survey, 2025

The demographic profile of participants in the study on post-merger employee job satisfaction indicates a balanced and diverse sample. The respondents are almost evenly divided, with males comprising 49.1% and females 50.9%, thereby providing balanced gender representation. The majority of respondents occupy officer (34.8%) and assistant (31.3%) positions, with a smaller proportion in management (23.9%) and executive (8%) roles, reflecting an emphasis on non-executive personnel. The respondents are predominantly associated with Prabhu Bank (49.1%) and Nabil Bank (30%), with Prabhu Bank exhibiting marginally greater representation. This demographic analysis reveals an equitable gender distribution, a predominance of respondents in non-executive positions, and a notable

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representation of employees from Prabhu Bank, offering a thorough context for evaluating post-merger job satisfaction.

Table 2: *Reliability Statistics*

Table 2 displays the reliability statistics derived from SPSS output, with particular emphasis on Cronbach's Alpha, which assesses the internal consistency of a scale. A Cronbach's Alpha rating of 0.879 signifies a high degree of reliability, indicating that the four items analyzed are highly associated and consistently assess the intended construct. A Cronbach's Alpha over 0.7 is deemed satisfactory, however a score surpassing 0.8 indicates good dependability. The scale, comprising four items, exhibits robust internal consistency, guaranteeing the reliability of responses for subsequent research.

Cronbach's Alpha	N of Items
.879	4

Note. SPSS output.

Table 3: *Descriptive Statistics*

	N	Minimum	Maximum	Mean	Std. Deviation
Job Satisfaction	112	1.00	4.00	2.778	.655
Communication Effectiveness	112	1.200	4.00	2.902	.647
Post-Merger Integration	112	1.00	4.00	2.825	.600
Employee Job Satisfaction	112	1.200	4.00	2.805	.628
Valid N (listwise)	112				

The table labeled "Descriptive Statistics" presents a summary of employee impressions regarding various workplace characteristics, derived from replies of 112 individuals. Job satisfaction scores vary from 1.00 to 4.00, with a mean of 2.778 and a standard deviation of 0.655. This suggests that employees typically express moderate job satisfaction, albeit with some diversity in their responses. Correspondingly, communication ratings span from 1.200 to 4.00, exhibiting a somewhat elevated mean of 2.902 and a standard deviation of 0.647, indicating that employees regard communication as considerably superior to their overall job satisfaction.

Post-merger integration scores vary from 1.00 to 4.00, with a mean of 2.825 and a standard deviation of 0.600. This indicates a moderate assessment of the organization's management of the integration process post-merger. Employee job satisfaction, with a mean of 2.805 and a standard deviation of 0.628, reflects a comparable pattern, suggesting that employees experience moderate pleasure in their roles. The standard deviations among these categories underscore the variability in employee experiences, with some individuals indicating elevated

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or diminished levels of satisfaction and perception. The data indicates that employees possess moderate perceptions of job satisfaction, communication, and post-merger integration. The heterogeneity in replies, as demonstrated by the standard deviations, highlights the spectrum of experiences inside the company. The average scores highlight areas of employee contentment while also suggesting potential improvements to augment overall workplace happiness and efficacy.

The table labeled "Correlations" illustrates the interconnections among diverse elements pertaining to job satisfaction, communication efficacy, and post-merger integration in an organizational framework. Correlations are assessed by statistical methods, with the significance level denoted to facilitate the interpretation of the strength and dependability of these associations.

Table 4: *Correlations*

Correlations

	Job Satisfaction	Communication Effectiveness	Post-Merger Integration	Employee Job Satisfaction
Job Satisfaction	1			
Communication Effectiveness	.664**	1		
Post-Merger Integration	.578**	.705**	1	
Employee Job Satisfaction	.610**	.642**	.672**	1

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

The initial row of the table illustrates the correlation of "Job Satisfaction" with itself, which is inherently a perfect correlation of 1. This establishes a benchmark for evaluating other relationships. The correlation coefficient between "Job Satisfaction" and "Communication" is 0.664, which is statistically significant at the 0.01 level. This signifies a robust positive correlation, indicating that efficient communication inside the firm is intricately associated with elevated levels of employee work satisfaction. "Job Satisfaction" exhibits a correlation of 0.578 with "Post-Merger Effectiveness," which is likewise significant at the 0.01 level. This indicates that the efficacy of processes and integration post-merger significantly influences employees' job satisfaction. The correlation between "Communication" and "Post-Merger Effectiveness" is 0.705, signifying a robust positive association. This indicates that proficient communication is essential for the success of post-merger integration and overall efficacy. Finally, "Employee Job Satisfaction" exhibits a correlation of 0.610 with "Communication,"

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0.642 with "Post-Merger Effectiveness," and 0.672 with "Integration." All these correlations exist.

Statistically significant at the 0.01 level, underscoring that communication, efficient post-merger procedures, and successful integration are essential elements influencing employee job satisfaction.

The table illustrates the correlation among communication, post-merger efficacy, integration, and employee job satisfaction. The robust associations indicate that firms ought to concentrate on these domains to improve employee happiness and guarantee good results, particularly in the setting of mergers.

The "Model Summary" table outlines the statistical model used to examine the relationships between several predictors—Post-Merger Integration, Job Satisfaction, and Communication Effectiveness—and the outcome variable.

Table 5: *Model Summary*

Mod el	R	R Squa re	Adjust ed R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Chan ge	df 1	df 2	Sig. F Chan ge
1	.737a	.543	.530	.432438129994433	.543	42.333	3	107	.000

The multiple correlation coefficient (R) is 0.737, signifying a robust link between the variables and the result. An R Square score of 0.543 indicates that about 54.3% of the variance in the dependent variable is accounted for by the independent variables, implying a good model fit to the data. The Adjusted R Square, at 0.530, enhances this estimate by considering the number of predictors, thereby offering a more precise assessment of the model's explanatory capacity. The standard error of the estimate is 0.4324, indicating the average departure of observed values from the regression line. A reduced standard error signifies that the model's predictions are comparatively accurate. To the pertinent data points. The R Square Change is 0.543, corresponding to the R Square value, and indicates the variance elucidated by the model. The F statistic is 42.33, with degrees of freedom (df) of 3 and 107. The significance level (Sig. F Change) is 0.000, which is below 0.05, indicating that the predictors considerably improve the model's capacity to elucidate the variance of the outcome variable.

The model demonstrates a robust and significant correlation between the predictors and the outcome. The elevated R Square value and large F Change statistic highlight the model's strength and the relevance of the variables in elucidating the result. This analysis is essential for comprehending the determinants of post-merger integration success and overall organizational efficacy.

The table presents an analysis of variance (ANOVA) for a regression model assessing the impact of Post-Merger Integration, Job Satisfaction, and Communication Effectiveness on Employee Job Satisfaction.

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Table 6: *ANOVA*

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.423	.215		1.968	.052
	Job Satisfaction	.244	.086	.255	2.849	.005
	Communication Effectiveness	.200	.100	.205	1.991	.049
	Post Merger Integration	.398	.098	.381	4.038	.000

a. Dependent Variable: Employee Job Satisfaction

The unstandardized coefficients (B) signify the variation in the dependent variable corresponding to each unit change in the independent variable. For example, Job Satisfaction has a coefficient of 0.244, indicating that for each unit increase in Job Satisfaction, Employee Job Satisfaction rises by 0.244 units, assuming other variables remain constant. Communication Effectiveness has a coefficient of 0.200, while Post-Merger Integration has a coefficient of 0.398. The standardized coefficients (Beta) enable for comparison of the relative impact of each predictor. Post-Merger Integration has the greatest Beta value (0.381), showing it has the strongest influence on Employee Job Satisfaction, followed by Job Satisfaction (0.255) and Communication Effectiveness (0.205). The t-values and significance levels (Sig.) indicate the statistical significance of each predictor. Job Satisfaction (t = 2.849, Sig. = .005), Communication Effectiveness (t = 1.991, Sig. = .049), and Post-Merger Integration (t = 4.038, Sig. = .000) are all significant. Significant predictors of Employee Job Satisfaction. The constant term (B = 0.423) lacks statistical significance (Sig. = .052), indicating that when all predictors are zero, the baseline level of Employee Job Satisfaction does not significantly differ from zero.

The regression analysis indicates that Job Satisfaction, Communication Effectiveness, and Post-Merger Integration are significant predictors of Employee Job Satisfaction, with Post-Merger Integration exerting the most substantial influence. This highlights the significance of these elements in improving employee happiness, especially during organizational transitions such as mergers.

Discussion

The study highlights the significant impact of post-merger integration (PMI), communication effectiveness, and job security on employee job satisfaction in Nepal’s commercial banking sector. Post-merger integration emerged as the best predictor (Beta = 0.381), underscoring the importance of smooth cultural and operational alignment during mergers. Effective

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communication (Beta = 0.205) significantly contributed, since straightforward and consistent messaging alleviated employee concern and cultivated trust. Job security (Beta = 0.255) additionally impacted happiness, with individuals perceiving security in their positions exhibiting elevated morale and dedication.

These findings accord with current literature, such as Birkinshaw et al. (2000) on PMI and Bhattarai (2023) on communication, while also reflecting the unique issues of Nepal's banking sector, where mergers often lead to restructuring and role shifts. The study emphasizes the necessity for firms to focus explicit integration strategies, honest communication, and assurances of job security to improve employee satisfaction during mergers.

The limited sample size of the study and its concentration on two banks restrict generalizability, while self-reported data may introduce bias. Future research might broaden the sample, use mixed methodologies, and undertake longitudinal studies to understand how satisfaction evolves post-merger.

Conclusion

This study highlights the essential influence of post-merger integration (PMI), effective communication, and job security on employee job satisfaction within Nepal's commercial banking sector. The results indicate that PMI is the primary predictor of satisfaction, highlighting the necessity for cohesive cultural and operational integration throughout mergers. Effective communication and job security promises also play significant roles in minimizing employee concern and creating trust. These views correspond with international literature while tackling the distinct issues of mergers in emerging countries such as Nepal, where organizational culture and employee expectations vary considerably.

The study emphasizes the necessity of emphasizing human resource management in mergers, providing transparent communication, well-defined integration strategies, and job security to improve employee satisfaction and organizational success. However, the study's shortcomings, including a small sample size and focus on two banks, underscore the need for broader, mixed-methods, and longitudinal research in the future. By resolving these deficiencies, businesses can more effectively manage the intricacies of mergers, thereby assuring sustainable growth and employee welfare in the dynamic banking sector.

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