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# The Evaluation of Mergers on the Financial Performance of PT Bank Syariah Indonesia

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**ABSTRACT**

To increase the market share and strengthen the capital of Islamic banking in Indonesia as well as to expand their business activities, the government expanded Islamic banks externally through the merger of three state-owned Islamic banks to become Bank Syariah Indonesia. The method used in this research is descriptive quantitative where this study analyzes the financial performance of Islamic Banks forming Bank Syariah Indonesia which consists of 3 (three) Islamic banks namely PT Bank Syariah Mandiri, PT Bank BRI Syariah, and PT Bank BNI Syariah during the research period 2019-2022, by comparing 2 periods before and 2 periods after the merger. The results of the Paired sample t-test showed that there were differences for the 5 (five) financial ratios of the 8 (eight) financial ratios studied between before and after the merger in the observation period. These results indicate that the merger provided a significant improvement in the financial performance of PT Bank Syariah Indonesia.

## Introduction

Sharia banking services in Indonesia began in 1992, marked by the establishment of PT Bank Muamalat Indonesia as the first Islamic bank. In the same year, the government enacted Banking Law Number 7 of 1992 which was developed through Government Regulation Number 72 of 1992 concerning Islamic Banking with a Profit Sharing System as the legal basis for Islamic banking in Indonesia.

Developments in Islamic banking occurred after the implementation of Banking Law Number 10 of 1998. However, if compared to national banking industry, banking sharia market share in Indonesia still very low, only 6.65% in July 2022 from whole industry banking in Indonesia.

There are several main problems faced by Islamic banking in Indonesia. These problems include limited capital, high cost of funds, and excess liquidity. The limited capital owned by Islamic banks is one of the main problems in developing the Islamic banking industry. Limited capital is an obstacle when Islamic banks are going to expand their business, especially to the corporate, institutional, or government project financing sectors that require large funds. In a banking framework that is regulated based on risk aspects, capital strength is one of the keys to business success (KNKS, 2019).

Merger and acquisition activity in industry banking can integrate the entire banking sector to become more competitive and efficient. In general, companies use merger policies to increase the company's market share to create better efficiency and this success can be assessed through financial performance (Fadilah, 2019).

To develop and increase growth, companies can expanding internally and externally. For internal expansion, the company can develop and innovate the product, expansion of regional operation, etc. Therefore external expansion, company can carry out merger, acquisition, or consolidation strategy with the other company. Mergers and acquisitions are an important alternative to carry out expansion business in external way (Cartwright and Schoenberg, 2006).

However, according to Hitt, et al. (2012), merger and acquisition strategies can be successful, but sometimes it creates little or even no value. This matter occurs because the company is unable to create synergies, payments premiums are too high, target selection is not correct, and the integration process is ineffective. Therefore, before merger and acquisition transactions occur, the parties need certainty about continuity business, projects, strengths, and weaknesses of companies that will be merged or acquired.

Several studies have been conducted on differences in company performance before and after mergers and acquisitions, but the results are not always consistent. Such as research by Mahesh and Prasad (2012) which analyzed the post-merger and acquisition financial performance of Indian Airlines companies in the 2007-2008 period. The main objective of this study is to analyze whether the Indian Airlines company achieves financial performance efficiency during post-mergers and acquisitions in terms of profitability, leverage, liquidity, and capital market ratios. The paired sample t-test was used to determine significant differences in financial performance two years before and two years after the merger activity. In general, the India Airlines company merger did not bring a significant difference to the post-merger financial performance.

PT Bank Syariah Indonesia Tbk. officially operated on 1 February 2021 through the merger of three Islamic banks from the Association of State-Owned Banks (BUMN), namely PT Bank BRI Syariah, PT Bank Syariah Mandiri, and PT Bank BNI Syariah; where PT Bank BRI Syariah became the issuer that received the merger while PT Bank Syariah Mandiri and PT Bank BNI Syariah were dissolved by law. The composition of the shareholders of PT Bank Syariah Indonesia is PT Bank Mandiri (Persero) Tbk by 51.2%, PT Bank Negara Indonesia (Persero) Tbk by 25%, PT Bank Rakyat Indonesia (Persero) Tbk by 17.4%, DPLK BRI - Sharia shares 2%, and the public 4.4%.

The purpose of this merger is to encourage Islamic banks to enter the global market and become a catalyst for growth in the Indonesian Islamic economy and are considered to be more efficient in fundraising, operations, and spending (Alhusain, 2021). The merger of the three banks resulted in a consolidated asset value of Rp 239.56 trillion and made PT Bank Syariah Indonesia the largest Indonesian sharia bank in term of assets. Through this merger, it is hoped that PT Bank Syariah Indonesia will have good financial performance and be globally competitive to become the top 10 Islamic banks based on market capitalization.

This study aims to compare the financial performance of BUMN sharia banking before and after the merger to become PT Bank Syariah Indonesia. Company performance, especially banking financial performance, is the main factor to determine the success or failure of banks mergers. If the results of the calculation of these financial ratios have improved after the merger, it can be said that the bank was successful in carrying out the merger.

This research refers to previous research conducted by Mahesh and Prasad (2012), Marzuki (2013), Dewi (2020), and Astuti and Drajat (2021) which used a different test to compare the financial performance of the sample companies before and after the merger. With the issuance of the Financial Services Authority Regulation Number 8/POJK.03/2014 concerning the Soundness Rating of Islamic Commercial Banks and Islamic Business Units, there are several financial ratios that have not been studied by previous researchers and will be examined in this study.

## Literature Review

### Synergy Theory

Synergy Theory was first put forward by Gunther in 1955, where it was stated that mergers and acquisitions occur widely because mergers and acquisitions produce a "synergy" between the acquirer and the target. It is hoped that this synergy will increase the value of the company (Omotayo, 2019). Synergy Theory explains that two companies will gain greater profits than operate alone..

### Mergers and Acquisitions

To maintain business continuity in the long term (going concern), company make development or expansion. Business development or expansion can done through two ways, internal and external expansion. Internal expansion can be done without involving outside organizations company like development product, expansion region business, etc. External expansion is the development of the company which is carried out by involving organization outside the company (Nizar and Nasir, 2016).

There are two ways of merging business entities, through fusion and acquisition. Fusion can be done by merger or consolidation, while acquisition is a merger of two or more companies by controlling positions control to company other. (Nizar and Nasir, 2016).

According to POJK Number 41/POJK.03/2019 concerning Mergers, Consolidations, Acquisitions, Integrations and Conversions of Commercial Banks; Merger is a legal action carried out by one or more Banks to merge with other existing Banks which results in the assets, liabilities and equity of the merging Bank being transferred by law to the Bank that received the merger and then the legal entity status of the Bank that has been merged ends because of the law.

The main objective of the companies mergers is to maximize the wealth of the owners which is reflected in the share price of the acquirer. More specific motives include growth and diversification, synergies, raising capital, increasing managerial or technological capabilities, tax considerations, increasing owner liquidity, and defense against takeover (Gitman and Zutter, 2015) .

After mergers and acquisitions, theoretically there will be changes in the company's performance, both in market performance and financial performance. The market performance of a company which is reflected in changes in the company's stock price. Meanwhile, financial performance can be measured by calculating the data in the company's financial statements using financial ratios.

If the post-merger and acquisition company's financial position is better than before the merger and acquisition, the company will experience a positive change in its financial performance so that it can be said that the merger and acquisition was successful (Widoatmodjo, 2012).

**Financial Report**

Financial statements can provide an overview of how much a company's profits are in a certain period. Financial reports can also be used as a basis for assessing company performance (Putra, Darwis, & Priandika, 2021).

The better financial performance makes the company have high competitiveness while at the same time being able to increase the value of the company. Therefore, one measure to assess the success of mergers and acquisitions is to look at the company's performance after the merger and acquisition, especially the financial performance, both the acquiring company and the company being acquired (Hamidah and Noviani, 2013).

In 2014, the Financial Services Authority issued the Financial Services Authority Regulation Number 8/POJK.03/2014 concerning the Soundness Rating of Sharia Commercial Banks and Sharia Business Units followed by the issuance of the Financial Services Authority Circular Letter Number 10/SEOJK.03/2014 Concerning the Assessment of Health Levels of Sharia Commercial Banks and Sharia Business Units. Assessment of Bank Soundness Level individually for Islamic Commercial Banks includes an assessment of the factors: Risk Profile, Good Corporate Governance, Profitability, and Capital.

This study uses indicators for assessing the soundness of a bank that can be quantified in the form of financial ratios, namely Risk Profile Factor Assessment (credit risk, market risk, and liquidity risk), Earnings Factor, and Capital Factors. While other aspects, such as Risk Profile Factors (Operational Risk, Legal Risk, Strategic Risk, Compliance Risk, Reputation Risk) and Good Corporate Governance (GCG) Factors cannot be quantified in the form of financial ratios so they are not used in this study.

**Previous Research**

Research related to financial performance before and after mergers in Indonesia was conducted by Morina and Nasir (2018) where mergers affect differences in values in liquidity, profitability, and solvency ratio before and after the merger. The results of this study are in line with research by Marzuki (2013) who examined financial performance before and after mergers & acquisitions at PT Bank CIMB Niaga which stated that of the 8 financial ratios studied, 6 ratios showed significant differences when compared between before and after merger & acquisition activities. The results of research on financial performance before and after the merger at PT Bank Woori Saudara Indonesia 1906 Tbk (Astuti and Drajat, 2021) also stated that of the 7 financial ratios studied, 6 of them had significant differences between before and after the merger.

Meanwhile, research by Nizar and Nasir (2016) shows that merger or consolidation has non significant effect in terms of economics, strategy, finance, risk, and more. Significant impact on the choice of a merger or consolidation scheme is estimated to be on the side of legality and clash interest between employees because difference background behind. In line with the results of Dewi's research (2020) which states that the 1 year period before and 1 year comparison after Mergers and Acquisitions show no significant difference in the company's financial performance. Meanwhile, according to Siregar and Sissah's research (2021) that the merger policy for Islamic banks has not been able to increase the market share of Islamic banks in Indonesia, and has the opportunity to reduce the market share of Islamic banks considering that many small Islamic banks will be unable to compete with Islamic banks resulting from the merger.

Based on research that has been done by previous researchers, there are differences in research results, so researchers are interested in conducting similar research related to the analysis of the effect of mergers on company financial performance, but there are several differences between this research and previous research. The difference lies in the study period, the sample used, and the financial ratios measured.

## Research Method

The method used in this research is descriptive quantitative. The quantitative method is a research method used to examine certain populations or samples, with the aim of testing established hypotheses (Sugiyono, 2016). This study describes the analysis of the financial performance of Islamic banking before the merger activity takes place and compares it with the financial performance after the merger activity occurs.

### Population and Sample

The population in this study is Islamic bank in Indonesia, while the sample was selected using purposive sampling.

The sample selection criteria include:

1. Sharia Commercial Bank forming Bank Syariah Indonesia.
2. Sharia Commercial Banks conducting merger activities in 2021.
3. There are financial statements for two period before and two period after the merger.

With this method, the samples used in this study are 3 Islamic Commercial Banks forming PT Bank Syariah Indonesia, namely PT Bank Syariah Mandiri, PT Bank BRI Syariah, and PT Bank BNI Syariah during the 2019-2022 research period, by comparing the two periods before and two periods after the merger was carried out due to data limitations in the form of the availability of the financial reports of PT Bank Syariah Indonesia which was just established in 2021. From a total sample of 4 companies and the data used is quarterly data for 8 periods in the period 2019-2022.

## Data Types and Sources

The data collection method in this study is a literature study. Literature study is a theoretical study related to values, culture, and norms that develop in the social situation under study, because research cannot be separated from scientific literature (Sugiyono, 2016).

The type of data used in this research is secondary data. The data obtained for this literature study is in the form of secondary data in the form of scientific articles related to Indonesian Sharia Banks both before and after the merger as well as bank financial reports obtained from the company's website and OJK. This study uses quantitative data obtained from the summary of the financial statements of the companies that formed Bank Syariah Indonesia, namely PT Bank Syariah Mandiri, PT BRI Syariah, and PT BNI Syariah for 2019 and 2020 as well as the financial statements of PT Bank Syariah Indonesia for 2021 and 2022 by comparing the 2 periods before and 2 periods after merged.

## Research Instruments

The instrument used in this study is in the form of financial ratios derived from financial reports so that they can reflect the bank's financial performance. Research instruments shows in Table 1.

## Data Analysis Methods

*Data Normality Test*

Data normality testing is to find out whether the data is normally distributed or not. The normality test is important to determine which statistical test tool should be used for hypothesis testing. If the data is normally distributed, parametric statistical tests are used. Conversely, if the data is not normally distributed, non-parametric statistical tests are used.

To test the normality of the data in this study, it was carried out using the Kolmogorov Smirnov test. The Kolmogorov - Smirnov test was chosen because it is more sensitive in detecting data normality than testing using graphs.

*Hypothesis Testing*

The purpose of this research is to find out whether there is a significant difference between the financial performance of companies before and after the merger. To see these differences, the data that has been obtained will be processed and analyzed using a paired sample t-test (parametric) or the Wilcoxon Signed Ranks Test (non-parametric). One way to determine parametric and non-parametric tests is to carry out a normality test. If the data is normally distributed, the statistical test performed is a parametric test, while if the data is not normally distributed, a non-parametric test is performed.

**Table 1.**
*Research Instruments*

| No | Variable | Indicator | Source |
|---|---|---|---|
| 1 | Risk Profile Factors - Credit Risk (Asset Quality Ratio) | Non Performing Financing (NPF) | BSM, BRIS, and BNIS quarterly financial reports for 2019 and 2020. BSI quarterly financial reports for 2021 and 2022. |
| 2 | Risk Profile Factors - Market Risk (Sensitivity Ratio) | Net Foreign Exchange Position (PDN) | |
| 3 | Risk Profile Factor - Liquidity Risk (Liquidity Ratio) | Financing to Deposit Ratio (FDR) | |
| 4 | Profitability Factor (Earning Ratio) | Net Operating Margin (NOM)<br>Return On Assets (ROA)<br>Net Reward (NI)<br>Operating Expenses Operating Income (BOPO) | |
| 5 | Capital Factor (Bank Minimum Capital Adequacy Ratio) | Minimum Capital Adequacy Requirement (KPMM) | |

## Result and Discussion

### Normality Test

In this study the normality test used was the Kolmogorov Smirnov test. The criteria in the Kolmogorov Smirnov method are if the Asymptotic sig > 0.05 then the data is normally distributed, whereas if the Asymptotic sig < 0.05 then the data is not normally distributed. The normality test results are as follows Table 2.

**Table 2.**
*Normality Test Results*

| Ratio | Asymptotic sig | Interpretation |
|---|---|---|
| NPF | 0.085 | Normal |
| NOP | 0.200 | Normal |
| FDR | 0.200 | Normal |
| NOM | 0.122 | Normal |
| ROA | 0.114 | Normal |
| NI | 0.200 | Normal |
| BOPO | 0.200 | Normal |
| KPMM | 0.200 | Normal |

Based on the results of the normality test above, it can be seen that the range of Asymptotic sig values is greater than 0.05 so it can be concluded that the data is normally distributed.

**Hypothesis Testing**

Testing the hypothesis in this study using parametric statistical tests; with the consideration that the data is normally distributed, the data is on a ratio scale, there are 2 groups of data being tested (before and after the merger), and the data comes from paired groups. The parametric test used in this study is the Paired sample t-test. The results of the Paired sample t-test are as follows Table 3.

**Table 3.**
*Paired Sample t-test Results*

| Ratio | α | Asymp. Sig (2-tailed) | Conclusion | Interpretation |
|---|---|---|---|---|
| NPF | 0.05 | 0.001 | H1 Accepted | Different |
| NOP | 0.05 | 0.016 | H2 Accepted | Different |
| FDR | 0.05 | 0.259 | H3 Rejected | No Different |
| NOM | 0.05 | 0.001 | H4 Accepted | Different |
| ROA | 0.05 | 0.001 | H5 Accepted | Different |
| NI | 0.05 | 0.711 | H6 Rejected | No Different |
| BOPO | 0.05 | 0.001 | H7 Accepted | Different |
| KPMM | 0.05 | 0.685 | H8 Rejected | No Different |

Using a paired sample t-test with a significance level of 5% shows that of the 8 financial ratios used in this study, 5 financial ratios after the merger experience significant differences compared to before the merger.

Based on the results of the test hypothesis, it can be concluded that there are differences in the value of Non-Performing Financing before and after the merger. If the value of the NPF ratio is getting smaller, it can be interpreted that the bank is getting better at managing non performing financing. From these results, it appears that post-merger Islamic Bank Indonesia is better at managing its non-performing financing compared to pre-merger Islamic Bank Indonesia.

Based on the results of the test hypothesis, it can be concluded that there are differences in the value of the PDN before and after the merger.

Based on the results of the different test hypothesis, it can be concluded that there is no difference in the value of the Financing to Debt Ratio before and after the merger. The FDR ratio is a liquidity ratio which is an indicator of a company's ability to pay all short-term financial obligations at maturity using available current assets. With FDR, it can be seen that the bank's ability to pay its customer's funds back is compared to the funds that have been invested in the form of credit for its debtors (Setyarini, 2020).

Based on the results of the test hypothesis, it can be concluded that there are differences in the Net Operating Margin before and after the merger.

Based on the results of the test hypotheses, it can be concluded that there are differences in the value of Return On Assets before and after the merger. After the merger, the size of the company itself increases because the company's assets, liabilities, and equity are merged together (Hamidah & Noviani, 2013). The most underlying factor for a company to conduct mergers and acquisitions is economic motives, or in other words, mergers and acquisitions are profitable for the owner of the buying or acquiring company and the selling company or target company (Suad & Pujiasturi, 2012). This is closely related to ROA which is a company's ability to use all of its assets to generate profit after tax. Thus it can be concluded that when a company decides to acquire and merge, it will affect the increase or decrease of the ROA itself. So it appears that there will be differences in ROA in companies before and after mergers and acquisitions.

Based on the results of the test hypothesis, it can be concluded that there is no difference in the value of NI before and after the merger.

Based on the results of the test hypothesis, it can be concluded that there is a difference in the value of Operating Income Operating Expenses before and after the merger. BOPO is the result of a comparison of operational costs with operational income when used as a measurement tool for efficiency when carrying out Islamic banking operational activities (Wibisono & Wahyuni, 2017). The smaller the BOPO ratio, the better the management performance. The BOPO value of Islamic commercial banks in Indonesia is still relatively high, as a result the performance of Islamic commercial banks is less efficient. The results of this study indicate that the merger of the three government-owned Islamic banks to become PT BSI has an impact on changes in BOPO which makes operational activities more efficient and can increase profits so that the quality of Islamic banking will also increase to remain competitive in the Islamic banking industry.

Based on the results of the test hypothesis, it can be concluded that there is no difference in the KPMM value before and after the merger. KPMM is used to measure a bank's capital adequacy to support assets that generate risk. The lower the risk of a bank, the higher the profit earned by the bank. The greater the KPMM value makes the bank have the opportunity to earn profits with large capital so that management becomes more flexible to carry out investment activities that are more profitable. The low KPMM value is partly due to an increase in the expansion of risky assets because it is not matched by additional capital so that the opportunity for banks to invest can decrease and can reduce public trust in banks. (Wibisono & Wahyuni, 2017). In this study, it is not proven that mergers have a significant effect on PT BSI's financial performance.

The test results on the NPF show that there are differences in the performance of Islamic banking before and after the merger of 3 Islamic commercial banks. This result is not in line with the research by Dewi & Widjaja, (2021) and Wei et al., (2021) which stated that there was no significant difference in financial performance before and after the merger of 3 Islamic commercial banks.

The results of testing on FDR show that there are differences in the performance of Islamic banking before and after the merger of 3 Islamic commercial banks that shows differences in the company's financial performance before and after the merger.

The test results on ROA show that there are differences in the performance of Islamic banking before and after the merger of 3 Islamic commercial banks, these results are in line with the research of Morina & Nasir (2018) and Astuti & Drajat (2021) which reveal that there are differences in the company's financial performance before and after merger.

The test results on BOPO show that there are significant differences in the performance of Islamic banking before and after the merger of 3 Islamic commercial banks, these results are in line with the research of Astuti & Drajat (2021), Bajgai & Pradhan (2021), and Yadav & Jang (2021) which reveal that there are differences in the company's financial performance before and after the merger. This result is in line with the synergy theory which states that by merging, companies will be able to make efficiencies in spending costs such as funding costs.

Meanwhile, the ratios of PDN, NOM, NI, and KPMM are rarely studied.

Comparison of financial ratios before and after mergers and acquisitions is needed to find out whether or not there is synergy that occurs after companies carry out mergers and acquisitions. The synergy is seen from the financial aspect. If the changes that occur are significant enough, it is possible that there has been synergy and vice versa.

According to Ahmadi et al. (2021) synergy theory can be interpreted that the combined value of companies that are merging or consolidating is greater than the value of separate companies. Synergy can be achieved when the combination produces level of economies of scale. The level of economies of scale occurs because the combination of costs can increase revenues that are greater than the total income of the company when it does not join. Synergy is evident when the merging companies are in the same business because redundant functions and labor are eliminated. When the combined performance and value of the combined company exceeds the sum of the performance and value of the individuals present, synergy has been created. This theory holds that a merger will only occur when each company finds a mutually beneficial agreement. The synergies that merger generates will lead to an increase in the value and size of the combined companies. This is evident when the merging companies benefit from scope and economies of scale. This theory has the implication that mergers as a growth strategy make companies perform much better than before (Wei et al., 2021).

This research is in accordance with the Synergy Theory which states that mergers and acquisitions occur widely because mergers and acquisitions produce a "synergy". Two or more companies will get greater profits when both of them merge compared to themselves (Dewi & Widjaja, 2021). Wei et al., (2021) stated that synergy is widely and often considered the main reason behind merger and acquisition agreements. The synergy produces a new company value far greater than the combined value of each company if it stands alone. Most of the financial ratios used in this research experience significant differences, so they are considered to provide sufficient evidence that mergers can improve a company's economic performance. It is concluded that there is a difference between the financial performance before and after the merger of companies and supports the previously proposed hypothesis.

The results of this study are in accordance with previous research related to financial performance before and after mergers in Indonesia conducted by Morina and Nasir (2018) where mergers affect differences in values in liquidity, profitability and solvency ratio before and after mergers. The results of this study are also in line with research by Marzuki (2013) who examined financial performance before and after mergers & acquisitions at PT Bank CIMB Niaga which stated that of the 8 financial ratios studied, 6 ratios showed significant differences when compared between before and after merger & acquisitions acitvity. The results of research on financial performance before and after the merger at PT Bank Woori Saudara Indonesia 1906 Tbk (Astuti and Drajat, 2021) also state that there are differences in the company's financial performance before and after the merger.

The role of the merged Islamic Bank is become important in the economy. In addition, the impact of mergers on the development of the Islamic economy is also expected to be positive because the new entities resulting from this corporate behavior have large capital to drive the country's economic growth (Ahmadi et al., 2021). The merger of the three state-owned sharia banks created several benefits, including an increase in the wealth of sharia banks, especially for the merger participants. This is because when a company merges, its wealth automatically accumulates. In addition, this policy will increase market penetration because Islamic banks are merging to increase new innovations and have the potential to attract attention and potential business partners. Another advantage for the three Islamic Banks in joining the merger is more efficient funding costs. Similar to mergers, Islamic banks can overcome the high burden of operational costs, capital expenditures and financing costs (Fiqri et al., 2021).

## Conclusion

In general, the company's financial performance after the merger tends to improve. The increase in financial performance indicates that the benefits resulting from the merger activity have been felt within 2 (two) years after the company carried out the merger activity. The results of this study shows that mergers have a significant effect on bank financial ratios. The merger carried out by PT Bank Syariah Indonesia is included in the type of horizontal merger. From the results of this study it can be shown that the horizontal merger type has a considerable chance of success. Based on these findings, it can be concluded that mergers can be a solution for banks to improve their performance, especially from the perspective of bank health. When a number of Islamic banks which are affiliated with each other have a poor level of soundness, then a merger can be used as an alternative to improve the performance of these banks.

## Recommendations

Companies and stakeholders are advised to consider when going into a merger or acquisition, so that the company is expected to get maximum profits in the future. PT BSI has proven performance in 2021 and 2022. Therefore, BSI has the opportunity to continue to grow with the large potential of the halal ecosystem which currently has not been properly optimized by Islamic banks.

The government is expected to provide support for evaluating PT BSI's financial performance before and after the merger so that it can be seen that the company has experienced an increase or decrease in financial performance, where PT BSI is currently the largest Islamic bank both in terms of third party funds, assets and financing so that it requires government support in strengthening the Financial Industry Sharia. For further research, it is hoped that it will be able to evaluate deeper into the influence of banking financial performance before and after the merger using other variables that have not been used in this study such as the Current Ratio, Quick Ratio, and Debt to Equity Ratio. In addition, further research can also consider non-financial aspects of post-merger bank performance.

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