Abstract

The European banking industry has undergone a remarkable wave of consolidation induced by profound changes in technology and regulation over the last two decades. Consequently, the focus from the bank growth has been shifted to the bank efficiency, the bank profitability and the value creation. The preferred strategy to enhance the effectivity has become accomplishing of a merger or an acquisition transaction. The aim of this diploma thesis is to investigate the influence the mergers and acquisitions have on the performance of the Czech and the Slovak banking sector. In order to do so we apply a two-stage approach consisting of a linear programmimg DEA method and a Tobit regression approach. The period under study is 2000 – 2006 and the total number of banks in the sample is 36 or 38. In our analysis we did not succeed in finding the evidence of the positive influence of the mergers and acquisitions on the bank performance. However, we were substantially limited by the unavailability of the bank data. For the future research, it might be interesting to find out whether a new time series cleaned from the post-transformation influences would offer significant results.