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Assessment of Survivors' Perceptions of Crises and Retrenchments in the Nigeria Banking Sector

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Abstract
Using the Neo Liberal and Organizational Justice theories as the theoretical framework, this study assesses the perceptions of bank employees who survived of the crises and retrenchment that swept across the Nigerian banking sector. Four banks were purposively selected for the study. Two out of these four banks, namely: First Bank Nigeria Plc. (FBN) and United Bank for Africa Plc. (UBA), are among the old generation banks (OGB), while the other two: Access Bank and Eco Bank are new generation banks (NGB). A total of 256 employees of these banks selected through the simple random sampling technique constituted the samples for the study, while questionnaires and in-depth interviews (IDIs) were used as data collection instruments. Frequency percentage distribution formed the main tool of statistical analysis. Findings revealed that the popular perception among the survivors both in in NGB and OGB is that the crises were aggravated by poor corporate governance, and corrupt practices by the Executive Management of some banks. Also, though survivors perceived the reforms introduced by the Central Bank of Nigeria in response to the crises as having functioned to quell the crises, a large proportion of them, 83% in OGB, and 82% in NGB still blamed the crises for the large-scale job losses in the sector. Findings further revealed that these surviving employees, mainly those of NGB indicated not having control over the retrenchment procedures and outcomes. Consequently, they perceived the retrenchment process as unfairly executed, leaving them with a sense of uncertainty and job insecurity. The study concluded that there is clear need for bank management to display integrity in retrenchment decisions while also maintaining fairness in dealing with survivors.
Keywords: Crises, Retrenchment, Survivors, Perception, Banking Sector.

1. Introduction

Globally, the banking industry has undergone several crises and changes over the years; influenced largely by challenges posed by economic recession, deregulation of financial sector, globalization of operations, and technological innovations. Nigeria, like a number of other African countries equally had its share of this global recession with its associated reforms policies and mass retrenchment, (Kurebwa, 2011; Young, 2012).

Apart from global economic recession that affected Nigerian banking businesses, the sector has consistently witnessed series of internal crises especially in the mid 1990's. These took the form of incessant bank under capitalization, distress and outright liquidations, loss of depositors' funds, abuses, pathological corruption, unethical practices, violation of bank rule by executive management, and the lingering job losses (Afolabi, 2011). In terms of distress and liquidation, prior to the consolidation era, an inventory of Nigerian banks between 1990's and 2004 as revealed by Nigerian Deposit Insurance Corporation (NDIC, 2004), shows that a total of thirty three licensed banks went into distress and were eventually liquidated. Out of these, thirteen were commercial banks, eighteen merchants and one cooperative. Also during consolidation period, 14 banks were declared distressed and had their licenses revoked in 2006, (Soludo, 2006). The issue of distress and undercapitalization equally reoccurred in post consolidation era. Really, the entire period was marked with massive poor corporate governance and internal sharp practices resulting to in-effectiveness and inefficiency. In order to cope with the recessionary challenges, and also correct the inherent internal crises in the sector, the regulatory bodies, namely: the Central Bank of Nigeria (CBN), and the Nigerian Deposit Insurance Commission (NDIC), working alongside with Government embarked on banking reforms to overhaul the system, so as to create mega banks, and make it possible for the Nigerian banking industry to meet up with global standards and equally compete internationally with foreign banks. This gave rise to the consolidation in December 2005. This period brought some gains and benefits such as improved e-banking service and excellent IT robust services, (Siyanbola 2013). However, the issue of poor corporate governance, credit related abuses and insider fraud, and other forms of unethical practices still persisted, (Okafor, 2009), leading to another round of serious financial crises in 2008/2009, and the outright reform by the incumbent Central Bank Governor, Lamido Sanusi.

Banking reforms in Nigerian banking industry mainly take the form of recapitalization, merger and (or) acquisition, both in a consolidation and post consolidation period. But, the greatest merger and acquisition that took place in the sector was on 2004, when the CBN under Charles Soludo, on July 6th, 2004, raised the capital base from N2billion to N25 billion and mandated all the existing banks to recapitalize to the tune of N25 billion on or before 31st December, 2005. These policies compelled banks to merge with or acquire other banks in order to fully recapitalize, giving rise to major restructuring in banking operations and businesses. This further resulted in the mass retrenchment of workers in order to reduce costs, keep afloat, meet up with competition and maximize profits. Available data reveals about 31,980 bank workers were estimated to have lost their jobs during 2005 consolidation (Adedipe, 2006), and between 2009-2011, the post consolidation period, more than 8,000 bank workers were disengaged, while over 9,000 of them lost their jobs in 2012, (Young, 2012). In fact, the situation has not significantly changed but still ongoing as bank workers on regular basis are suddenly relieved of their jobs. Certainly, affected banks workers have divergent views regarding these crises and retrenchments as studies have shown. In Okafor (2009), it revealed that some perceive the crises as being perpetuated by weak management practices, and tolerance of deficiencies in corporate governance behaviour of banks.

Scholars have further evaluated these banking reforms, the gains and losses of the post consolidation, as well as the effects of the crises and retrenchments on the banking sector; but attempts have scarcely been made to assess how the survivors perceive the crises and retrenchments, and the attending effect on their emotional health. In view of this, two questions readily come to mind. First, how do the surviving employees perceive these crises and retrenchments the banking sector? Secondly, to what extent have such perceptions affected the survivors? Providing answers to these crucial questions is what this study is articulated to achieve.

2. Literature review and Theoretical Framework

The dominant features of the Nigerian banking sector in recent past are the emerging crises, banking reforms and massive retrenchment of workers. Sanusi, (2011), reports that the reform policies in the sector such as recapitalization, merger and acquisition, abolition of universal banking, emphasis on core banking traditions, regulatory supervision and new operation licensing model and 10 years maximum tenure for Managing Directors; have been adopted by the regulatory bodies. The first phase of consolidation in 2005 was organized through Merger and Acquisition, leading to a down-sizing of existing banks from 89 to 24 banks, leaving 14 of them distressed as shown in Table 1 below:

Table 1 List of surviving banks after the down-sizing of 2005

S/N	Group	Constituent Member
1	Access Bank Nig Ltd	Access Bank ltd, Marina Intl. bank, Capital bank intl
2	Afribank Nigeria Plc	Afribank Plc, Afribank International (Merchant Banker)
3	Bank PHB Plc	Platinum bank ltd, Habib Bank Ltd
4	Diamond bank Plc	Diamond bank Plc, Lion bank, African International bank
5	Eco Bank Plc	Eco Bank plc
6	Equatorial Trust Bank Ltd	Equatorial trust bank, Devcom Bank Ltd
7	Fidelity Bank Plc	Fidelity bank Plc, FSB Intl Bank, Manny Bank Ltd
8	First Bank of Nigeria Plc	First bank Nig Plc, MBC Intl, FBN (Merchant Banker)
9	First City Monument Bank Plc (FCMB)	FCMB Plc, Cooperative Dev. Bank, Nigeria –American Bank, Midas Bank
10	First Inland Bank Plc	First Atlantic Bank, Inland Bank nig. Plc, IMB Intl Bank Plc, NUB Intl Bank Ltd
11	Guarantee Trust Bank (GTB) Plc	Guarantee Trust Bank (GTB) Plc
12	Intercontinental Bank Plc	Intercontinental Bank Plc, Global Bank Ltd, Equity Bank Ltd, Gateway Bank Ltd.
13	Nigerian Intl Bank Ltd (Citi Group)	Nigerian Intl. Ltd
14	Oceanic Bank Intl Plc	Oceanic Bank Intl Plc, Trust Bank
15	Skye Bank Plc	Prudent Bank Plc, Bonds Bank Ltd, Reliance Bank, Coop Bank, Eko Intl Bank Plc.
16	Spring Bank Plc	Citizens Intl Bank, ACB Intl Bank, Guardian Express Bank, Omega Bank, Trans International Bank (TIB)Ltd, Fountain Trust Bank Ltd
17	Stanbic IBTC Bank of Nigeria Ltd	Stanbic Bank of Nigeria Ltd, IBTC, Chartered Bank Ltd, Regent Bank Plc
18	Standard Chartered Bank Ltd	Standard Chartered Bank Ltd
19	Sterling Bank Plc	Magnum Trust Bank, NAL Bank Plc, INDO Nig Bank, Trust Bank of Africa Ltd, NBM Bank Ltd
20	United Bank for Africa Plc	United Bank for Africa Plc, Standard Trust Bank, Continental Trust Bank
21	Union Bank Of Nig Plc	Union bank Plc, Broad Bank of Nig Ltd, Universal Trust Bank, Union Merchant Banker
22	Unity Bank Plc	Intercity Bank, First Interstate Bank, Tropical Commercial Bank, Centre Point bank Plc, Bank of the North, New African- American Bank, Society Bancaire, Pacific Bank Ltd, New Nigerian Bank.
23	Wema Bank Plc	Wema Bank Plc, National Bank of Nigeria Ltd
24	Zenith Bank Plc	Zenith Bank Plc

Source: CBN Bulletin, 2006

However, through Purchase and Assumption (P&A), 11 out of the 14 distressed banks were acquired as shown in Table 2, leaving the remaining 3 banks, namely: Fortune bank, Triumph bank Plc. and Societe Generale bank Plc.

un-acquired, (CBN, 2008).

Table 2 Acquired distressed banks and the acquiring banks after the down-sizing of 2005

S/N	Acquiring bank	Acquired or assumed bank
1	Afribank Plc	Assurance bank Ltd and Lead Bank
2	ECO Bank PLC	All States Bank, Hallmark Bank Ltd
3	United Bank Of Africa Plc	Trade bank Ltd, City Express Bank, Metropolitan Bank, African Express (AFEX) Bank, Gulf Bank of Nigeria, and Liberty Bank
4	Zenith Bank Plc	Eagle Bank Ltd

Source: 2008 CBN BSD Annual report

Despite these reforms, most banks were characterized with internal deficiencies such as poor corporate governance practices, undue exposure to capital market and oil and gas sector, poor risk management practices, inadequate disclosure and transparency about banks' financial positions, (Afolabi, 2011); as well as management corrupt practices such as direct manipulation of depositor' funds to their personal goals, (Sanusi, 2009). These unwholesome acts led to another banking crisis in 2008/2009, which eventually called for post consolidation reform in 2009. As a result, 10 banks – were declared distressed while eight Chief Executive Officers (CEOs) of eight banks and their executive management teams were removed and replaced with new executive managements, as appointed by the Central Bank. In addition, the Central Bank injected N620 billion in the affected banks to bail them out, (Afolabi, 2011).However, out of the 10 banks, only Wema Bank and Unity Bank Plc were able to adequately re-capitalize within the deadline of 30th September, 2011, while 5 banks were able to find preferred investors. However the Central Bank revoked the operating licenses of 3 banks, namely: Afribank Plc., Bank PHB Plc and Spring Bank Plc for not showing enough capacity and ability for recapitalization; and replaced them by establishing bridge banks i.e. temporary nationalized bank set up by regulators to administer the deposits, funds, assets, and liabilities of the failed banks. These bridge banks include; Mainstreet bank Ltd (formerly Afribank Plc); Keystone bank Ltd (formerly Bank PHB.); and Enterprise Bank Ltd (formerly Spring bank Plc) This post consolidation arrangement reduced the existing banks in Nigeria now to 20 as displayed in Table 3 below.

Table 3 List of existing banks and their acquired/merger partner banks after post consolidation reform in 2009

S/N	Existing bank	Acquired/Merger partner
1	Access Bank Plc	Intercontinental bank Nigeria Plc
2	Eco Bank International Plc	Oceanic international bank of Nigeria Plc
3	First City Monument Bank Plc	Finbank Nigeria Plc
4	Sterling Bank Nigeria Plc	Equitorial Trust Bank Ltd
5	Union Bank of Nigeria Plc	Union bank, African capital Alliance Group
6	Enterprise bank	Spring Bank Plc
7	Keystone Bank	BankPHB Nigeria Plc
8	Mainstreet Bank	Afribank Nigeria Plc
9	Diamond Bank Plc	Nil
10	Fidelity Bank Plc	Nil
11	First Bank Nigeria Plc (FBN)	Nil
12	Guaranty Trust Bank plc	Nil
13	Nigeria Intl Bank – Citi Bank	Nil
14	Skye Bank Plc	Nil
15	Stanbic IBTC Bank	Nil
16	Standard Chartered Bank	Nil
17	United Bank for Africa (UBA) Plc	Nil
18	Unity Bank Plc	Nil
19	Wema Bank Plc	Nil
20	Zenith Bank Plc	Nil

Source: Fieldwork, 2013

Clearly, this situation has affected banks' productivity and profitability, throwing the sector into a state of confusion and job loss, following the restructuring agenda initiated by the banks to survive the transitions. Thus, Olagunju and Olalekan, (2012) were right in asserting that bank restructuring usually come with bad news such as crises, job losses and retrenchments.

However, scholars, corporate practitioners, and employees have different views and feelings about the crises and its concomitant retrenchments. For instance, several studies have explained employees' perceptions of crises. It is shown that employees view crises and reforms in the industry as welcome development to curtail the excesses of the executive management, but it comes with more losses than gains, (Siyanbola, 2013). Also, the crises is perceived to have been aggravated by the managerial deficiencies, incompetence and corrupt practices, (Okafor, 2009; Abduhahi 2010). But the approach adopted by the CBN in resolving the crises is perceived to be radical, despotic, often spontaneous and full of personal sentiments and vendetta,(Akogun, 2010; Nonso- Alo 2010).

As regards employees perceptions of the retrenchments, scholars such as Noronha and D' Cruz (2006); Kunrebwa, (2011); Greenberg, (1990) noted that where the victims were unfairly treated, the survivors equally perceived they would be accorded same unjust treatment. Similarly, Noer (1993) reports that survivors reactions are influenced by the level of injustices they perceived in the process and the extent to which the employment and psychological contact is changing. Therefore, five factors are found to influence survivors' reactions to retrenchments:

- The way in which retrenchment had been decided, i.e. criteria for selection of affected employees
- The way the employees had been notified
- The level of effectiveness of communication i.e. lack of adequate, clear believable information throughout the process
- The perceived fairness of the selected criteria and severance compensation
- The aftercare of leavers and interpersonal treatment received from management

Crises and retrenchments in banks and other organizations have produced profound human consequences in terms of "survivors sickness" (Noer, 1993) or "survivor syndrome" Cascio, (1993), a term equally referred as 'passive resistance', (Okafor, 2009). This is the symptom associated with survivors' emotions, behaviours and attitudes that eventually trigger reactions, i.e. a cluster of reactions among the survivors. It is the responses of employees who retain their jobs after downsizing. According to Kurebwa (2011), the most prominent psychological sickness exhibited by bank workers are feelings of inequity, anger, job insecurity and uncertainty. These mental states have the potential to influence the survivors' work behaviours and attitudes such as motivation, commitment, satisfaction, and job performance.

The reforms and restructuring which resulted in crises and massive retrenchments in the Nigerian banking sector can be understood further using the Neo Liberalism Theory. Neo Liberalism is a theory of globalization associated with well-known Economists like Milton Friedman and Williams Easterly (Ritzer, 2012). This theory celebrates the new liberal global economic market and trade, and also limits government involvement in, and control over the market and trade hence encouraging global capitalism. Its main emphasis is economic freedom (free market and free trade) as opposed to State intervention in the market. However, Okafor, (2010), affirms that the State is expected to be supportive of the market, with minimal interventions. Ritzer, (2012) citing Harvey, (2006) submits that Neo Liberalists seek to improve corporations and develop nation's economy via reforms and restructuring through merger and acquisition as well as recapitalization; as response to economic changes and crises. Therefore, the theory supports organizational downsizing/retrenchment as a means for cost reduction in order keep organization afloat. The various reforms embarked upon by the Central Bank in Nigerian banking sector that resulted to massive retrenchment are thus directly influenced by Neo Liberalists' policies which equally encourages bail out of financial institutions especially when they are about to collapse. Ritzer, (2012) stressed further that Neo Liberalists utilize such tools as contract and out-sourcing to reduce human cost, although these permit individuals to create their own enforceable legal rules; adapted to their unique situation. This as Okafor, (2010) noted suggests that the Nigerian banking industry is shying away from employing staff on a permanent basis due to non- readiness to pay staff residual benefits.

On the issue of employees' perceptions of how fairly they have been treated by their organization, this can be understood in the light of Greenberg's (1987) Organizational Justice Theory (Campbell and Finch, 2004). The theory analyzes perceptions of fairness in organizations, by categorizing employees' views and feelings about their treatment and that of others within an organization (Saunders and Thornhill, 2003). Three dimensions of organization justice have been identified:

- Distributive Justice- This has to do with perceptions of fairness by survivors arising from organizational allocations of resources to victims and the outcomes thereof. (Cropanzano and Greenberg, 2001).
- Procedural Justice – Perceptions about the processes involved retrenchments, i.e. survivors feeling with regards to whether or not retrenchments are conducted in a fair manner. Positive views of procedures and processes are linked to higher levels of trust in the organization.
- Interactional Justice- Perceptions about nature of the interpersonal relationship during the execution of retrenchment procedures, i.e. fair or unfair perceptions by survivors over Management's interpersonal relationship with them during retrenchment exercises. Perception for

fairness may involve the use of empathetic communication with both victims and survivors, thus they are more likely to accept decisions even unfavourable ones, when given adequate and genuine reason for retrenchment, (Chipunza and Berry, 2010).

3. Methodology

The study was carried out in Ibadan metropolis Oyo State, Nigeria, using the survey research design. A total of four commercial banks were purposively selected. of these four, two of them, namely: Access Bank Plc. and Eco Bank Plc., fall under the New Generation Banks (NGB); while the other two comprising First bank of Nigeria Plc. (FBN) and United Bank for Africa Plc. (UBA), are among the Old Generation Banks (OGB). The study population consisted of management and non-management; as well as permanent and contract cadres of employees in the selected banks who survived the retrenchments. With the aid of the simple random sampling technique, a sample size of 280(70 from each bank) representing 29.9% of the total population of 935 staff in the selected banks was drawn using the Yaro Yemini's formula. The data collection instrument was a structured questionnaire, 256 copies of which were finally retrieved for analysis. Furthermore, In-Depth Interviews (IDIs) were conducted, with 3 employees, (2 Management and 1 Non-Management staff) from each of the four selected banks as respondents.

4. Results

4.1 Employees' Perceptions of the Crises

Results as presented in Table 4 shows that with regards to surviving employees' perceptions of the crises in the banking sector, only 4.7% and 2.3% of respondents in new generation banks (NGB) and old generation banks (OGB) respectively strongly disagreed that crises were due to poor corporate governance, and corrupt practices of executive Management of their banks. However, the highest proportion 84.4% in NGB and 64.8% in OGB strongly agreed that poor corporate governance and corrupt practices by executive management led to the crises, with 6.3% and 32% in NGB and OGB respectively still agreeing. This confirms the findings of the 2009 Central Bank of Nigeria (CBN) and Nigerian Deposit Insurance Corporation (NDIC) Joint Audit that the Nigerian banking sector was characterized by structural and operational deficiencies. Specifically, they pointed to the Executive Management of 10 banks as being involved in poor ethical conducts such as gross insider related credit that led to accumulation of high non-performing loans in the system. Besides, Sanusi (2009) had observed that the Executive Management of some banks were involved in manipulating depositors' fund to their personal goals, and other forms of corrupt practices.

Furthermore, an overwhelming proportion of respondents 83% and 82% in OGB and NGB respectively strongly agreed that the banking reforms had positive impact on the crises. Only few respondents 17.2% in NGB and 12.5% in OGB disagreed with this position. This particular finding is striking because about the same percentage of respondents in both OGB and NGB share this view that the banking reform was just and had prevented crises from escalating further. This is manifested in the fact that it led the CBN and the NDIC to adopt regular and thorough risk based supervision and effective consumer protection strategy, which has helped to prevent further instant liquidation of banks and total loss of customers' funds as was the case in the past. This is supported by Soludo's (2005), and Sanusi's (2009) assertions that the emerging banking consolidation had repositioned the banking industry for global competition, and equally ensured a strong and reliable banking sector that has guaranteed the safety of depositors' money.

Though respondents overwhelmingly perceived the reforms as having had positive effects, some still perceived it as having aggravated the retrenchments in the industry. As observed further in Table 4, the highest percentage of the respondents (64.1%) in OGB, and a substantial proportion (43.0%) in NGB agreed that the reforms through Merger and Acquisition (M &A) had aggravated many crises such as retrenchment. More so, 37.5% of respondents in NGB and 21.1% in OGB strongly agreed to this. Furthermore, 85.1% of the respondents in OGB strongly agreed that the M &A had aggravated many crises in OGB, while 80.5% of those in NGB shared the same view. Merger and Acquisition (M &A) make banks to readjust their operations, and in doing so, some positions are made redundant. Also, the acquirer banks by nature prefer to retain their employees over the employees of the acquired banks. This results in the disengagement of employees of the acquired banks without full settlement of severance allowances. This is in line with Siyanbola's (2013) observation that the reforms had prevented further collapse of the banks and loss of depositors' fund, but then aggravated massive job loss.

Table 4 Frequency distribution of respondents' perceptions of the crises

Crisis is due to poor corporate governance, corrupt practices, by executive management	**NGB**	**OGB**	**Total**
Strongly disagreed	6 (4.7%)	3 (2.3%)	9 (3.5%)
Disagreed	0	0	0
Undecided	6 (4.7%)	1 (0.8%)	7 (2.7%)
Agreed	8 (6.3%)	41 (32.0%)	49 (19.1%)
Strongly agreed	108 (84.4%)	83 (64.8%)	191 (74.6%)
Banking sector reform is just and has intervened on further crisis.	**NGB**	**OGB**	**Total**
Strongly disagreed	12 (9.4%)	10 (7.8%)	22 (8.6%)
Disagreed	10 (7.8%)	6 (4.7%)	16 (6.3%)
Undecided	1 (0.8%)	5 (3.9%)	6 (2.3%)
Agreed	54 (42.2%)	67 (52.3%)	121 (47.3%)
Strongly agreed	51 (39.8%)	40 (31.2%)	91(35.5%)
A reform through merger and acquisition has aggravated many crises such as retrenchment	**NGB**	**OGB**	**Total**
Strongly disagreed	0		0
Disagreed	0		0
Undecided	25 (19.5%)	19 (14.8%)	44 (17.2%)
Agreed	55 (43.0%)	82 (64.1%)	137 (53.5%)
Strongly agreed	48 (37.5%)	27 (21.1%)	75 (29.3%)

Source: Fieldwork 2013

4.2 Perceptions of Employees' on CBN's Approach to the Crises

Table 4 displays employees' perception of the CBN's approach to crises in the banking industry. Only 0.8% of respondents in OGB, and 4.7% of those in NGB strongly disagreed that the approach to the problems was radical, with just 0.8% of respondents in NGB disagreeing. However, the highest proportion of respondents 57.0% in both NGB and OGB agreed that CBN's approach to resolve the inherent problems was radical, while 31.2% and 26.6% in NGB and OGB respectively strongly agreed with this position.

Interaction with surviving bank employees revealed that they expected the reforms to be a gradual process. To them, the process came too sudden and was improperly managed. As a confirmation, Akogun (2010) pointed out that the hurried approach by CBN to "internationalize" the banking sector led to radical implementation of some policies.

Table 5 Frequency distribution of respondents' views on CBN's approach to the crises in banking industry

CBN approach to solving the inherent problems is radical	NGB	OGB	Total
Strongly Disagreed	6 (4.7%)	1 (0.8%)	7 (2.7%)
Disagreed	1 (0.8%)	0	1 (0.4%)
Undecided	8 (6.2%)	20 (15.6%)	28 (10.9%)
Agreed	73 (57.0%)	73 (57.0%)	146 (57.0%)
Strongly Agreed	40 (31.2%)	34 (26.6%)	74 (29.0%)
The implementation of the reform by the CBN is full of sentiment	**NGB**	**OGB**	**Total**
Strongly Disagreed	32 (25.0%)	21 (16.4%)	53 (20.2%)
Disagreed	18 (14.1%)	52 (40.6%)	70 (27.3%)
Undecided	35 (27.3%)	13 (10.2%)	48 (18.8%)
Agreed	37 (28.9%)	40 (31.3%)	77 (30.1%)
Strongly Agreed	6 (4.7%)	2 (1.6%)	8 (3.1%)

Source: Fieldwork (2013)

An In-depth Interview (IDI) respondent further confirmed this in stating that:

> *"Sanusi's post consolidation reform has good intentions to revive the mess created in the banking sector, but it was hastily implemented. A reform of such nature should be a gradual process. Though depositors' funds are protected, the effect is the massive retrenchment we are facing today in the industry. In short Sanusi's radicalism threw the sector into total confusion" (*IDI/Male/Business Manager/Access bank/June, 2013)

Furthermore 16.4% of respondents in OGB, and 25.0% in NGB strongly disagreed with the statement that the implementation of the reform by CBN was full of sentiments, while 40.6% and14.1% in OGB and NGB respectively disagreed. However, only1.6% of respondents in OGB and 4.7% in NGB strongly agreed, while 28.9% in NGB, and 31.3% OGB agreed. This means that the popular perception of employees of both NGB and OGB is that the CBN's reforms were not based on sentiments. This is buttressed by an IDI Respondent who stated that:

> *"Sanusi was not sentimental in the implementation of the reforms, though people accused him as such. The truth is that the man takes bold and firm decisions, no minding the social and economic status of those that will be affected. His actions are devoid of personal vendetta"* (IDI/Male/business Manager/FBN/2013)

In summary, surviving employees perceived the CBN reforms as welcome development but maintained that the approach to crises had been radically implemented.

4.3 Employees' Perceptions of the Retrenchments

In Burke and Nelson, (1998) it is stressed that objective and fair treatment of employees during retrenchment requires that management involves employees in retrenchment implementation. In the case of this study, Table 5 presents data on survivors' perceptions of the retrenchment process in the banking sector. Majority of the respondents in NGB, (43%) strongly disagreed with the idea that the retrenchment decisions by Management were democratic and involved employee participation, with 20.3% of their counterparts in OGB having the same view. Also, 9.4% and 14.1% in NGB and OGB respectively agreed to this view. However, 23.4% respondents in the OGB and 14.0% in NGB strongly agreed with the idea while 27.3% in OGB and 9.4% in NGB agreed with them. A critical examination of these results reveals that NGB had more employees, totaling 52.4%, who viewed the retrenchment decisions by management as undemocratic, with no employee participation; while OGB had more employees (50.7%) who viewed the decisions as both democratic and involving employee participation. This implies that, depending on the bank in question, employees may or may not participate in retrenchment decisions. In this case, results indicated that OGB gave more opportunity for employees to participate in retrenchment decisions, than NGB. Consequently, more respondents in the former viewed the process as both democratic and involving employee participation, than respondents in the latter, more of whom rather viewed the retrenchment decisions by management as undemocratic, with no employee participation. These views were further confirmed in respondents' perception of how fairly they were treated during the retrenchments as also seen in Table 5. 33.6% of the respondents in NGB strongly disagreed that there was fairness in the treatment of employees during the retrenchments, while 60.9% of them disagreed, indicating that in New Generation Banks, there was no fairness in treatment of employees during retrenchments. In the OGB, few respondents (21.9%) strongly disagreed with this position, while 25.0% disagreed with the view. However the least proportion of respondents in the NGB (4.7%) strongly agreed, with none agreeing, while in OGB most of the respondents 32.8% and 20.3% agreed and strongly agreed respectively.

This leads to the conclusion that surviving employees of banks perceived both fair and unfair treatments by Management during the retrenchments. Unfair treatment was more highly perceived in the New Generation Banks than in the Old Generation Banks as results indicated.

Table 6 Frequency distribution of survivors' perceptions of retrenchment

Retrenchment decision by management is democratic and involves employees participation	**NGB**	**OGB**	**Total**
Strongly disagreed	55 (43)	26 (20.3)	81(31.6)
Disagreed	12 (9.4)	18 (14.1)	30 (11.7)
Undecided	31 (24.2)	19 (14.8)	50 (19.5)
Agreed	12 (9.4)	35 (27.3)	47 (18.4)
Strongly agreed	18 (14.0)	30 (23.4)	48 (18.8)
There is fairness in treatment of employees during retrenchment process	**NGB**	**OGB**	**Total**
Strongly Disagreed	43 (33.6)	28 (21.9)	71 (27.7)
Disagreed	78 (60.9)	32 (25.0)	110 (43)
Undecided	1 (0.8)	0	1(0.8)
Agreed	0	42 (32.8)	42 (16)
Strongly Agreed	6 (4.7%)	26 (20.3)	32(12.5)

Source: Fieldwork (2013)

5. Discussions of the findings

The adoption of Merger and Acquisition (M & A) in the recent Nigerian banking reforms by the Central Bank is in line with Neo Liberalism. M & A is one of the Neo Liberal policies that encourage firms to merge or acquire another firm in order to remain afloat especially during economic and environmental changes. The practice has been observed in the Nigerian banking sector where some banks were declared distressed and were later merged with or acquired by other banks. However, this eventually resulted in mass retrenchment of bank employees, especially those of the acquired banks.

Regarding the mass retrenchment of bank employees and indeed the entire banking sector crises, this study has identified diverse surviving employee perceptions of the crises and retrenchments in the banking sector. Majority of the subjects in the study in both new and old generation banks perceived the crises as being triggered by poor corporate governance, and fraudulent practices by some of the Executive Management. Okafor, (2010) had argued that the persistent pathological corruption and mismanagement in the Nigerian economy perpetuated by the leaders had also permeated the banking sector. Unsurprisingly, the Executive Management of some banks were busy diverting depositors funds to themselves, and giving fictitious loans to their companies, relatives and close friends, thereby strangulating the banks to a state of gross undercapitalization and distress. This resulted in the CBN's intervention, an exercise which subjects perceived as just and helpful in curbing the crises. Currently the CBN is effectively monitoring and supervising activities of banks, making it extremely difficult for banks to indulge in illegal practices, (Musa, 2013). The implication is that some banks are no longer declaring bogus profit as was the case in the past. However, in order to still maximize profits, cost had to be minimized via retrenchments, among other measures. Unfortunately, the CBN and other related government agencies could not adequately checkmate these retrenchments.

Besides the foregoing, the study also found that the intervention by the CBN under Governor Sanusi was perceived by subjects as being highly radical because of its sudden implementation. This perceived sudden and radical implementation of the CBN's intervention especially the sudden removal of the top Executive Management and board members of some erring banks in 2009, led to insinuations that the CBN Governor was promoting ethnic interest, while others were claimed he had an agenda to eliminate some sections of the country from the control of Nigerian banks (Enabudu, 2010). Despite these insinuations and perceived radicalism, the study equally revealed that the CBN's approach in resolving the banks' crises is perceived by subjects as being void of sentiments.

Regarding retrenchment, the Nigeria Labour Act declared that the process in any organization must be done in transparent and objective ways, (Uvieghara, 2000). However, Nigerian banks had flouted this declaration in taking despotic and reactive retrenchment decisions, and in their lack of transparency in the retrenchment selection process, (Ademola, 2012). The survivors especially those in the Access bank, Eco Bank and UBA perceived the retrenchments as arbitrary because the Management of these banks had taken unilateral decisions in retrenching their employees. Subjects revealed that there were no prior notice, nor were there adequate communication, and even when there were suddenly disengagements, entitlements were not usually paid on time. As capitalists, most of the banks' Management adopted the "Scientific Management" style, thereby subjecting the survivors to high level of "alienation" to the extent that they (survivors) are left with a sense of powerlessness, meaninglessness, isolation and self- estrangement on the job. Notwithstanding, surviving employees in these banks resolved to endure inherent subjugations, so as to have a means of earning income for survival. But then, these survivors especially those of the NGB, still strongly perceived the retrenchments as unfair and subjective, since they basically had no control over the retrenchment procedures and outcomes. However, retrenchments in First bank which is an OGB was perceived to be fair and objective considering that subjects indicated the process was participatory, people-focused and in line with procedural justice.

Finally, although subjects in this study retained their banking jobs, despite the retrenchments and crises, the entire situation still left striking effects on their emotional health and attitude to work. These surviving employees, as the study found, now perceive the banking occupation as uncertain and unsecure. Consequently, they constantly nurse feelings of anxiety, job insecurity and other psychological strain, resulting from fears that they could be targeted next.

6. Conclusion

The global financial crises indeed affected the Nigerian banking sector. However, the Nigerian situation was deeply worsened by corrupt practices blamed mainly on the Executive Management in some of the banks. As the regulatory body, the Central Bank intervened with reformation policies. In response, the banking sector made attempts to comply with the Central Bank reforms. This triggered massive retrenchments in the sector, which survivors that formed the subjects in this study perceived as marred with lack of fairness. This unfortunately produced feelings of uncertainty and insecurity among the survivors regarding the banking profession. It becomes needful therefore, for the Management of the surviving banks be they old or new generation banks to build integrity in order to regain the trust of survivors. Above all, the Central Bank of Nigeria and indeed the Government have the task of adequately responding to the challenge of ensuring that the banking sector complies fully with labour regulations guiding termination of employment

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