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Investigating The Factors Influencing Job Losses In The Nigerian Banking Sector

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ABSTRACT: *This study was carried out to identify factors responsible for staff layoffs in the Nigerian banks. This purpose was pursued through specific objective. The survey design of questionnaire administration and oral interviews was adopted in collecting the needed data. Purposive sampling was used to select five (5) Deposit Money Banks (DMBs) involved in mergers and acquisitions. Forty (40) employees from each of these banks responded to the questionnaire administered to them and the data generated were analyzed using both descriptive and inferential statistics in the Statistical Package for Social Science (SPSS) version 22.The study found, among others, that greed and fear of losing talented employees by top management contribute greatly to staff layoffs. On the basis of these findings, recommendations were made, chiefly, that self-aggrandizements being very indicative in the case of the studied organizations, should be brought to the fore and adequately dealt with through effective corporate governance in Nigeria.*

KEY WORDS: *Job losses, Layoffs, Banking sector, Deposit Money, Banks, Staff*

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I. INTRODUCTION

Workers are important human assets of an organisation as high productivity and performance of most organisations could not be achieve without support and contribution of employees. The availability and sustainability of the right type of human resources at the right time and right place is the essence of success of every organisation. The long term were maintain employer an employee relationship not only ensures sustainable and competitive advantage over competitors, it also enhances organisational culture and motivation at the workplace (Yi, 2012) preventing layoff is hallmark of the management at all levels.

The specter of staff layoff looms in the foreground for many employers of today. Since the late 190s, economic recession, industrial restructuring, technological change and an intensified global competition have dramatically change the nature of work (Howard, 1995). Many workers have been displaced while others have become involuntarily part-time unemployed, hired on temporary employment contracts, or experienced a major and involuntary change in ………. of beliefs about the organisation and their place in it (Jacobson, 1991).

Job losses have become a recurring headline in the Nigerian media in recent years. It is fallout of revolutionary metamorphosis in recent years as an outcome of the restructuring programs channeled toward resolving the existing problem of the industry. Many reasons have been adduced for the ugly trend among organisations. However, there have been damaging effects of staff layoffs, which suggest that the reasons often given for staff layoffs may not be justifiable. Some critical scholars have viewed layoffs as abandonment of previously valued workers by greedy and heartless corporate executives in their quest for profit maximization (Kettle, 1995; Kurebua, 2011; Udukwu, 2012) while others see layoffs as necessary response to the dynamic changes occurring in the business environment (Bomela, 2007; Teryima, Agburu & Alabar, 2012). This apparent contradiction, not withstanding, reductions in the workforce have remained a major strategy for organizations in the face of the competitive realities in the current dynamic corporate world (Kammayer-Mueller, Liao & Arvey, 2001).

In United States, about 800 companies alone have reduced their total workers from a total 14.1 million workers to 11.6 million between 1983 and 1993, with approximately 500,000 US workers facing job loss each year due to their transitions (Simons, 1998). In Nigeria, job loss on massive side started at the close of 1983 by the Military government of Muhammadu Buhari a few month after the overthrow of Shehu Shagari regime. A total of 800 workers were retrenched as a measure to resuscitate the depressed economy via reduction of overhead costs (Denga, 1985).

It has been suggested that organizations tend towards workforce reduction to keep 'slim and fit' in order to compete more effectively (Mishra, Mishra& Spreitzer, 2009). This position is linked to the economic argument as one of the identified factors necessitating staff layoffs in the organization (Teryima *et al*., 2012). Keeping slim is within the concept of business process restructuring, which maintains that organization does a critical review of its work processes in order to reveal those that add little or no value to the organization's goal achievement, for ultimate elimination or at best regrouping. Again, the restructuring process stipulates that processes that are most dysfunctional in result delivery be eliminated, provided such processes are not within the very 'heart' of the business, and that such action is considered feasible in terms of the continuity of the business (Muthu, Whitman & Cheragi, 1999; Simon, 1994). As should be expected, eliminated work processes will have to take along, those employees who previously handled them, except the organization provides for their redeployment.

In the final analysis, it may not simply be feasible to advocate against workforce reduction, being a fall out of work process restructuring. However, the way and manner in which this reduction is carried out is a worrisome concern for the field of human resources management.

At the heart of the layoff exercise is the concern for the human resource, which is most critical among organizational resources because, unlike the other resources, the human resource carries with it the emotions of the people which are highly volatile. Various writers have had much to say about organizational downsizing (Dessler, 2008; Cascio, 1993; Mishra, Mishra & Spreitzer, 2009; Rabin, 1999; Waterman, Waterman & Collard, 1994), but their arguments appear to be centred mainly on the incidence of downsizing with little attention paid to effective handling of staff layoffs. Paradoxically, staff layoff brings about devastating side effects that render most employees vulnerable to suicide tendencies. In the words of Kolawole, Ajani and Adipe (2014), "a retrenched worker in Nigeria evidences a galaxy of psycho-social conditions. He loses authority as a viable head of the family, he faces financial emaciation, his social status receives a new and lower ranking, his self concept tends to be negative while a desire to take own life and that of another person increases" To ensure the needed efficiency and productivity for which restructuring is often sought, there is the need to study and understand the processes involved in staff layoffs. This study focuses on providing such an understanding.

II. OBJECTIVE OF THE STUDY

The broad objective is to ascertain the significant factors that influence organisational layoff decisions. Specifically, the objective of the study is to examine the factors influencing the need for layoff in Nigeria Banking sector.

Research Question

What are the factors influencing the need for layoff in Nigeria Banking sector?

Research Hypothesis

There is no significant relationship between employees' perception of the need for layoffs and the demographic variables.

III. LITERATURE REVIEW

The Concept of Layoffs

Staff layoff through downsizing is becoming one of the most popular strategies being used by organizations in an effort to survive and compete in the current business scenario (Bhattacharyya & Chatterjee, 2005). Other terms commonly used interchangeably for layoff include downsizing, building down, retrenching, streamlining, rationalizing, de-hiring, compressing, de-massing, resizing, rightsizing, de-recruiting, leaning-up, reassigning and slimming. Each of these terms shares some common meaning, yet with a unique connotation. Hence, for ease of understanding, downsizing shall be used interchangeably with layoff in this study. Layoff is defined as the systematic reduction of workforce through an instituted set of activities in order to improve efficiency and performance (Teryima, Agburu & Alabar 2012). Layoff is a term within the general concept of rightsizing for restructuring purpose, which is seen as the effective management of the organization workforce size. It is the process of monitoring and adjusting the composition of the organization's workforce, to its optimal size (Denisi & Griffin, 2005). Usually, managing the right size of the workforce involves staff layoff or retirement programmes to reduce the workforce size. Staff layoff refers to a dismissal of a relatively large proportion of employees in an attempt to improve productivity and competitiveness (Dessler 2008; Denisi & Griffin, 2005). It is seen as a reduction in the organization's workforce or loss of employees' positions (Udokwu, 2012).

Factors Necessitating Employees' Layoffs

A plethora of constraining factors affects organizations. The present economic crisis, industrial development, globalization, financial deregulations, increased operational costs and technological advancement act to 'strangulate' organizations. The common responses by organizations are restructuring, mergers and acquisitions, integration, divestment, liquidation and the likes. Whichever is the case, the important issue is that such organizations usually 'bleed' severely as a good number of the employees will always have to go. Definitely, organizations are expected to reap some benefits which include competitive advantage, potential regeneration of success, lower overhead cost, less bureaucracy, more effective decision making, improved communication, and greater innovativeness. To broadly categorise the necessitating factors, Bhattacharyya and Chatterjee (2005); and Teryima, Agburu & Alabar (2012) classified the various approaches as follows:

The Economic Perspective

The economic perspective rests on the assumption that managers' actions are inherently rational and that downsizing is undertaken with a view to increasing an organization's future productivity and economic performance. This assumption has been fueled by the recent global economic downturn, which has been observed to account for massive job losses (Iyayi, 2009). But, even though downsizing helps to reduce costs, it may be offset by increase in other expenses arising from negative consequences of downsizing. Moreover, researchers are yet to prove conclusively that downsizing results in improved financial performance of a firm. While, in the early eighties, companies began downsizing with a view to cutting costs and improving the first line employees, today, even companies posting record profits are resorting to downsizing to become 'lean and mean' (Mishra, Mishra & Spreitzer, 2009). Therefore, while economic imperatives might have been the overriding motivation for companies to downsize in the initial stages, today, other non-economic factors, such as irrational decision of top management to cut cost,may also be providing the impetus to downsize.

The Ideological Perspective

Adding ideological variables to the list of possible determinants of downsizing, two ideologies have been identifiedBhattacharyya and Chatterjee (2005) viz., the ideology of self-reliance of the employee and the ideology of de-bureaucratization which provide a cognitive framework in which the concept of downsizing gains legitimacy. The ideology of self-reliance of the employee stresses that, ultimately, it is the employee himself who should be responsible for his own career welfare and job security instead of relying on the organization to take care of his career. The ideology of de-bureaucratization recommends the reduction or elimination of hierarchies. In reducing hierarchies; middle managers are most often displaced from their jobs leading to workforce reduction. Hence, organizations whose top management espouses these ideologies are more likely to downsize.

The Institutional Perspective

The institutional perspective emphasizes that the search for legitimacy and uncertainty reduction are more potent motivators for downsizing than economic efficiency and profit. This perspective states that downsizing has taken on the status of an institutionalized norm and hence imparts legitimacy to those adopting this strategy. The extension of this perspective considers three social forces, viz., constraining, cloning and learning, which motivate downsizing in organization. Since the current thinking among organizations is to get leaner and smaller, managers are constrained to do what is considered 'right,' in this case, getting smaller by reducing the workforce. Cloning forces result from imitating competitors and following their actions irrespective of whether their strategies have proved beneficial or not. Since downsizing has become the order of the day, imitating competitors in this respect imparts some legitimacy to the manager. Finally, learning forces occur through educational institutions and professional association where the effectiveness of downsizing approach is further reinforced.

The Strategic Perspective

Apart from the above perspectives, there is the strategic view of layoff. The strength of this approach lies in highlighting a relatively unexplored aspect of viewing downsizing as a strategic choice made by the organization in response to firm level and industry-level influences, different from the ideological and theoretical perspectives taken by other researchers. Overall, the strength of these discussed approaches lies in the fact that they provide alternative windows to view downsizing and partially answer the question of why organizations, despite inconclusive proof of the economic efficacy of downsizing, continue to resort to such practice.

While the above factors have been identified by writers (Teryima, Agburu & Alabar, 2012; Bhattacharyya & Chatter|jee, 2005) as largely responsible for employees' layoffs, we consider the following additional factors also important:

i. Unsatisfactory Performance

Often, organizations carry out employee performance appraisal. In many Nigerian organizations, the appraisal is carried out yearly, and it is called Annual Performance Appraisal. The appraisal results are normally used to determine which employees should be commended or given incentives for satisfactory performance, and those who need training and development to boost their performance. There are also times when disciplinary actions may have been taken against some employees. When this is the case, and such employees fail to measure up in their appraisal, this could be a good ground to show them the way out; especially in the face of other constraining factors.

ii. Fear of Losing Relevance to Talented Subordinates

When talented employees, whom should be identified, recognized and provided enabling environment to thrive in their value addition to the organization, are seen as threat by some managers, it could be a ground for their layoff. This may be particularly true in many developing and least developed countries of the world, where corruption and nepotism still thrive. Some subordinates may have lost their jobs for daring to make contributions to their organizations beyond what their duties stipulate. In this case, the incompetence of their bosses may have been revealed. These dimensions should be captured in the factors necessitating employees' layoffs.

IV. THEORETICAL FRAMEWORK

The paper explores political economy theory cited in Kolawole, Ajani and Adisa (2014) and Neo liberalism theory cited in Williams, Etuk and Inyang (2014) for understanding the factors influencing job losses in banks. The political economy theory explains the influence of environmental factors (economies and politics) on the existence of lives of individuals and groups. Indeed, the theory explains how government policy affects the operation and structure of banking activities whereby most banks find it difficult to pay salaries of their employees, hence, the need to cut down their expenditure by reducing the number of workers via layoffs so as to reduce their cost and maximize profits. The modern theory is relevant to the study because it help in identifying relationship between employers and employees.

Job losses which resulted from reforms and restructuring in the Nigerian Banking sector canbe understood faster with the aid of Neo liberalism theory. Neo liberalism is a theory of globalization associated with popular economist like Milton Freedom and Williams Esterly (Titzer, 2012). The theory celebrates the new liberal global economic market and trade, and also limits government involvement in and control over the market and trade, this encouraging global capitalism (Williams, Etuk & Inyang, 2014). Its main concern is economic freedom (free market and free trade) as opposed to state intervention in the market. Okafor (2010) attests that the state is expected to be supportive of the market with minimal interventions. Ritzer (2012) citing Harvey (2006) contends that Neo liberalists seek to improve ……………. and develop economy of nation through reforms and restructuring through merger and requisition and as well as recapitalization as a response to economic changes and cries. Therefore, the theory is relevant to the study because it supports layoff as a mean for cost reduction in order to keep organisation afloat. The various reforms introduced by the Central Bank of Nigeria in Nigerian banking sector that resulted to massive job losses are thus directly influenced by Neo liberalist policies which equally encourages bail out of financial institution particularly when they are about to collapse. Contract and outsourcing are used as tools by Neo liberalists to bring down human cost, although these enable individuals to create their own enforceable legal rules, adopted to their outstanding situation (Ritzer, 2012). This suggests that the Nigerian banking sector is shying away from employing staff on a permanent basis because of non-readiness to pay staff residual benefits (Okafor, 2010).

Empirical Review Evidence

Apart from the generic view of the literature in the previous section, a consideration of findings of some past empirical studies is deemed necessary here. A summary of their work in terms of the findings reached is presented:

Teryima, Agburu and Alabar (2012) undertook a study on staff layoff and found that downsizing was seen instrumental as both defensive and offensive strategies of organizations.They also asserted that corporate competitiveness was contingent largely on downsizing; and that for their studied organization to remain competitive, staff layoff, as a strategy, must be utilized regularly.

In the same vein, Fapohunda (2012) found that business restructuring involved a reasonable reduction in the size of activities engaged in by the studied organizations and consequently resulted to cuts in the size of their employees.

Cameron (1994) found that downsizing business activities helped organizations in cost savings but was compared to throwing a grenade into a crowded room, closing the door, and expecting the explosion to eliminate a certain percentage of the workforce.

Empirical Review

Williams, Etuk and Inyang (2014) identified diverse surviving employee perception of the retrenchment cases in the banking sector. The study revealed that majority of the respondents in the study in both new and old generation banks perceived the retrenchment and crises as being triggered by poor corporate governance, and fraudulent practices by some of the executive management. Persistent pathological corruption and mismanagement in the Nigerian economy perpetuated by the leaders have also permeated the banking sector. The implication is that banks are no longer declaring huge profit as was the case in the past. The authors argued that in order to still maximize profit, cost has to be reduced through retrenchment/layoff. Williams, Etuk and Inyang (2014) citing Okafor (2013) found that reform in the Nigeria banking sector had human resource challenges. Matanmi (2005) identified a yawing gap between the immediate or short term effects of economic recession and the necessary ideals of job security. He affirmed that the ability of reforms to create employee in the last one decade had been very few and far between Jegede (2014) citing Adeyemi (2007) a submitted that banking reforms in Nigeria resulted in job loss among others. Atiku, Genty and Akinlabi (2011) investigated the effects of electronic banking on job security of employees in the Nigeria banking sector with reference to four selected banks in Lagos, Nigeria. The result reveals that adoption of e-banking directly gives rise to loss of jobs and early retrenchment of employees in the Nigerian banking sector.

V. METHODOLOGY

This study is a cross-sectional study. The choice of this approach was because data used for the study were collected from different individuals at a particular point in time. The research population of this study comprises organizations which require the services of workers, thus necessitating human resources management practice. To be specific, the research population includes all Deposit Money Banks (DMBs) previously referred to as commercial banks in Nigeria. Before the consolidation programme which began on July 6th, 2004 and finally ended on 31st December, 2005, there were eighty-nine (89) banks. These banks were later reduced to twenty-five (25) through mergers and acquisitions (Idolor and Ajao, 2004). The rationale behind the choice of the banking sector is as a result of multiple layoffs that have taken place in the sector since the 2004-2005 Nigerian commercial banks recapitalization and the subsequent restructurings. Purposive sampling, a non-probability sampling method was adopted in this study by selecting five (5) banks that were involved in mergers and acquisitions and by extension layoffs exercise in recent time. This was to enable a deeper and insightful understanding of the subject matter. These banks are: Access Bank Plc (Acquired Intercontinental Bank); Ecobank Nigeria Plc (Acquired Oceanic Bank); Enterprise Bank (Formerly Spring Bank); First City Monument Bank (Acquired FinBank); and MainStreet Bank (Formerly Afribank).

The rationale behind the selection of these five banks was on the premise that the banks would avail recent information on layoff issues. The sample size for this study was two hundred(200) layoff survivors drawn fromthe selected banks in Edo State. Forty (40) copies of questionnaire were administered to layoff survivors across the different cadres in each of the five banks.

The data for this study were from the primary source. The survey method was adopted with the use of questionnaire instrument and personal interview schedule, designed to elicit the needed responses on the handling of layoffs in the restructured organizations. The data generated through the use of structured questionnaire were analyzed using both descriptive and inferential statistics. These include percentages, chi-square and analysis of variance (ANOVA). Statistical software called Statistical Package for Social Science (SPSS) version 22 was used.

VI. DATA PRESENTATION AND ANALYSIS

Description of Respondents

This study set out to investigate layoffs handling procedures in the restructured banks. To achieve this, two hundred (200) copies of questionnaire were administered across five Deposit Money Banks in Edo State. Of the two hundred (200) copies administered, one hundred and eighty five (185) were returned, and one hundred and seventy-six (176), representing eighty-eight percent (88%) found usable. These one hundred and seventy-six (176) have been used for this analysis.

Descriptive Statistics of Demographic Data

Gender: Majority of the study respondents are male, who comprise 65.1% as against their female counterpart who make up 34.9% (See Appendix I).

Age: As seen from the table in Appendix I., majority of the respondents were of the ages between twenty-six (26) and thirty-five (35), accounting for 56.8% of the total number of respondents. That majority of the respondents are between twenty-six and thirty-five years of age is not surprising. It only attests to the recruitment policies of many Nigerian organizations, especially the banking sector, which specify age limit of prospective employees. Similarly, respondents the age of twenty-five (25) and below accounted for 22.7% of total respondents. Ages thirty-ix (36) to forty-five (45) made up of 15.9% while 4.5% of the respondents were between ages forty-six (46) and fifty-five (55).

Education Qualification: One hundred and seventy-two (172) respondents responded to this question. Out of this number, HND/B.Sc holders accounted for 67.4% while ND/NCE holders and postgraduate holders accounted for 16.3% apiece(See Appendix I).

Length of Service in the Organization: The table in Appendix I also reveals that a greater number of the respondents have worked with their respective organizations for five (5) years and below. This group accounted for 75% of the entire respondents. Those, who have worked with the organization between six (6) and ten (10) yeas accounted for 20.5% of the total respondents, while either group of sixteen (16) to twenty (20) and twenty-one (21) years and above hand 2.3% each.

Current Position: Majority of the respondents were administrative officers, representing 40.9%. Marketing officers accounted for 6.8% tellers/casher and 18.2%, while operations officers accounted for 91%. Similarly, a number of diverse positions grouped together simply as 'others' accounted for 25% of the total respondents(See Appendix I).

The Research Focus

This section focuses on the presentation and analysis of data collected, which relate to the objective sought by this study. The presentation has been done in sections, in line with the study objective.

Factors that Necessitate Lay off

The research question: *What factors influence the need for organizations to embark on staff layoffs?*

Questions 1 to 7 contained in section B of the instrument for data gathering relate to this question. The 7 items related to five identified factors as causes of staff layoffs. Respondents indicated their extent of agreement or disagreement with these factors. Table 4.2 below show the percentage responses of the respondents.

Scale Definition: The Five Point Likert Scale, as used in this study, is represented in the tables below as follows:Strongly Agreed (SA); Agreed (A); Undecided (U); Disagreed (D);Strongly Disagreed (SD). This scale is applied to the tables in this section.

Research Question: What are the factors influencing the need for layoff in Nigeria Banking sector?
Table 1: Factors Influencing the Need for Layoff

S/N	Variables	SA	A	U	D	SD	TOTAL	MEAN
1	General economic down-turn (Economic factor)	60 (34.1%)	76 (43.2%)	16 (9.1%)	16 (9.1%)	8 (4.5%)	176	3.93
2	Need to remain competitive (Economic factor)	12 (6.8%)	48 (27.3%)	36 (20.5%)	44 (25%)	36 (20.5%)	176	2.75
3	Need to reduce bureaucracy and position the organization to compete better (Ideological factor)	28 (15.9%)	40 (22.7%)	36 (20.5%)	44 (25%)	28 (15.9%)	176	2.98
4	Employees' self-reliance instead of over-depending on the organization (Ideological factor)	20 (11.9%)	32 (19%)	32 (19%)	52 (31%)	32 (19%)	168	2.74
5	Sheer imitation of other organizations which have used the strategy (Institutional factor)	20 (11.4%)	40 (22.7%)	48 (27.3%)	44 (25%)	24 (13.6%)	176	2.93
6	The idea of top management (Strategic factor)	44 (25%)	76 (43.2%)	20 (11.4%)	24 (13.6%)	12 (6.8%)	176	3.66
7	Failure to perform satisfactorily	8 (5%)	8 (5%)	40 (25%)	48 (30%)	56 (35%)	160	2.15
Source: *Field Work, 2018*								

Economic factor: The data presented in table 1 show that about 55.7% of the respondents strongly agreed or agreed simply that economic considerations led their organizations to embark on employees' layoff as against the 29.6% of respondents, who felt that economic consideration was not a factor. For certain, the 'trauma' experienced by the Nigeria capital market over the recent years affected all organizations, and public organizations were worse hit, as they have to grapple with leaner capital base and low patronage of the market. On the other hand, more respondents 45.5% as against 34.1%, disagreed with the proposition that staff layoffs were necessary to make the company remain competitive.

Ideological factor: As revealed by table 1, a greater number of respondents disagreed that those ideological factors, such as the belief that employees be made responsible for their careers by being self-reliant; and the idea that if a growing organization is not appropriately downsized, it becomes over-bloated and inevitably bureaucratic in nature, are good reasons for embarking in staff layoffs. This accounted for 45.5% of the total respondents while 34.8% agreed that such ideological factors could lead to the layoff decision.

Institutional factor: For institutional factor being the reason for staff layoffs, more respondents (38.6%) either disagreed or strongly disagreed than those who agreed or strongly agreed (34.1% of them). Institutional school of thought places the reason for staff layoff at the doorstep of mere imitation of other organizations. It also relates staff layoff to emerging trend in learning institutions, which tend to institutionalize and legitimize layoff practice as a fall out of research. Respondents could not find the ground to link staff layoff to mere imitation and other environmental happenings.

Strategic factor: From the table above (table 1) majority of the respondents strongly agreed or simply agreed that top management strategic direction led to employees' layoffs. This group accounted for 68.2% of the total respondents. This position by the respondents was expected, as they see layoff decision being borne out of top management capitalist self-interest, which always drive them to wealth accumulation at the expense of the working class. Of course, wealth accumulation and expansion are the major forces behind business involvement by the capitalist resources owners.

Performance: Unsatisfactory performance on the part of employees was considered a factor leading to employees' layoff. However, table 1 shows that an entirely 65% of the respondents disagreed or strongly disagreed with this claim. This is not unexpected, as no worker would agree to his/her failure to perform satisfactorily. Although respondents are survivors of the exercise, one could expect a show of solidarity from them in relation to their terminated colleagues. However, consideration must be given to the fact that workers in the banking sector, especially those in the marketing department, work towards meeting targets. In most cases, and from a moral point of view, these targets are unreasonably high that employees would have to do just anything to meet up, if they must keep their jobs.

Relationship between the Factors Influencing the Need for Layoff and Respondents' Demographic Variables

Table 2 presents the results of the relationship between the factors that influence the need for organizations to engage in layoff exercise and the demographic variables (gender, age, educational qualification and work experience) of the respondents. In doing this, One-way Analysis of Variance (ANOVA) was employed in a situation where the groups are more than two, hence, its usage for age, educational qualification and work experience. Chi-square is used for gender. The analysis is done at 5% level of significance.

Testing of Hypothesis

Ho_1: There is no significant relationship between employee perception of the need for layoff and their demographic variables in Nigeria banking sector.

Table 2 Relationship between Respondents' Perception of the Need for Layoff and their Demographic Variables in Nigerian Banking Sector

		Gender		Age		Educational Qualification		Work Experience	
		Chi-Square		*ANOVA*					
S/N	**Variables**	**X^2**	**P**	**F**	**P**	**F**	**P**	**F**	**P**
1	General economic down-turn (Economic factor)	29.123	0.000	4.481	0.005	3.708	0.027	9.736	0.000
2	Need to reduce bureaucracy and position the organization to compete better (Ideological factor)	45.333	0.000	5.828	0.001	18.512	0.000	6.509	0.000
3	Employees' self-reliance instead of over-depending on the organization (Ideological factor)	31.886	0.000	2.447	0.066*	7.593	0.001	2.843	0.039
4	To remain competitive (Economic factor)	22.230	0.000	1.194	0.313	3.700	0.027	0.537	0.657*
5	Sheer imitation of other organizations which have used the strategy (Institutional factor)	38.488	0.000	5.772	0.001	11.062	0.000	6.606	0.000
6	The idea of top management (Strategic factor)	8.296	0.081*	0.844	0.472*	0.921	0.400*	2.826	0.040
7	Failure to perform satisfactorily	16.113	0.003	3.040	0.031	7.051	0.001	5.309	0.002

*** Connotes variables that are not significant at 5%**

***Source:** Field Work, 2018*

A critical look at the result shows that there are significant relationships between respondents' demographic variables (gender, age, educational qualification and work experience) and the identified factors that influence the organizations decision to layoff. However, there is no significant difference between economic factor and work experience; ideological factor and age; and strategic factors and respondents' gender, age and educational qualification. The implication of this is that, employees' work experience, age, gender and educational qualification do not affect their perception of the decisions taken in the organization.

VII. DISCUSSION OF FINDINGS

This study sought to identify the causes of staff layoffs. This purpose was specifically pursued through the objective of finding out the factors that influence organizational layoffs decisions. In order to achieve this objective, 176 of the 200 employees of the sampled organizations responded to the questionnaire instrument used for data gathering. The results of their responses are discussed here.

The study found that economic and strategic factors greatly contributed to factors that influence organisational layoffs decision. This is in line with the position ofTeryima *et al.* (2012) and Bhattacharyya and Charrterjee (2005); and Afolabi (2011) who stated that when banking merged there is the tendency that job might be lost as part of the repositioning strategies the new management might want to put in place. However, respondents considered other factors (ideological, institutional and performance) as insufficiently linked to employees layoffs decision. This may not be unconnected with the fact that from the perspective of an average worker, the most important motivating factor to own a business is economic gain. On the other hand, more respondents disagreed with the proposition that staff layoffs were necessary to make the company remain competitive. Following previous researchers (Kettle, 1995; Kurebua, 2011; Udukwu, 2012), one would agree totally with the respondents' position, on the ground that owners and management of these organizations often fail to take advantage of the opportunity thrown up by the changes in the business environment. Hence, to remain competitive, taking the easy way out of staff layoff is never a proven strategy, as other strategies, like diversification, may be more effective.

Hence, other factors would be considered inconsequential, however good they might sound. Again, it is not surprising that employee respondents refused to accept that staff layoffs came as a result of non-performance. This is so because employees might never be willing to judge themselves poorly, even if that would be the objective thing to do.

VIII. CONCLUSION AND RECOMMENDATIONS

The study concluded that a number of factors influence staff layoffs in the Nigerian banking sector. These factors include general economic situation in which the organization finds itself, strategic direction and decisions by top management, unsatisfactory performance by employees, greed/mismanagement by those charged with managing the resources of organizations and poor corporate governance. General economic situation was, however, found to have the greatest impact. Staff layoff has become an important organisational phenomenon particularly when faced with a shaky economic climate.

In line with the findings of the study, the following recommendations should be considered:

1. Beyond the well-known factors (economic, ideological, institutional and strategic), employees' non-performance and top management self-aggrandizements contribute greatly to business failure leading to job losses. This is also true of fear of losing relevance to talented employees by 'sit-tight' managers. The issue of self-aggrandizements is very indicative in the case of many Nigerian organizations. Therefore, it should be brought to the fore and adequately dealt with through effective corporate governance in Nigeria.
2. Managers and employees should take into consideration the detrimental effects of staff layoff and try to cope with and prevent its impact by improving employees' commitment to work and performance.
3. Government should formulate favourable policy probability arbitrary retrenchment of bank workers particularly when they are meeting up with the bank target.
4. Banks should increase their number of branches for employment generation.
5. Organisations should make productive decency concerning human resources programmes for retaining staff of banks.

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APPENDIX I: Descriptive Statistics of Demographic Data			
S/N	**Respondent Category**	**Sub-Sample Size**	**Percentage**
	Gender		
1	Male	112	65.1
2	Female	60	34.9
	Total	***172***	***100***
	Educational Qualification		
3	SSCE	0	0.0
4	ND/NCE	28	16.3
5	HND/B.Sc	116	67.4
6	PostGraduate	28	16.3
	Total	***172***	***100***
	Age		
7	25 and Below	40	22.7
8	26 – 35	100	56.8
9	36 – 45	28	16.0
10	46 – 55	8	4.5
	Total	***176***	***100***
	Work Experience		
11	0 – 5	132	75.0
12	6 -10	36	20.5
13	11 -15	0	0.0
14	16 -20	4	2.3
15	21 and Above	4	2.3
	Total	***176***	***100***
	Current Position		
16	Marketing Officer	12	6.8
17	Teller/Cashier	32	18.2
18	Administrative Officer	72	40.9
19	Operations Officer	16	9.1
20	Others	44	25.0
	Total	***176***	***100***

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