

Post-consolidation Challenges and Strategies for Managing Employees' Resistance to Change in the Banking Sector in Nigeria

Emeka Emmanuel Okafor

*Department of Sociology, University of Ibadan, Ibadan, Nigeria
Telephone: 234-(0)8023566654, E-mail: eemfor@yahoo.com*

KEYWORDS Bank Consolidation. Change. Merger And Acquisition. Job Losses. Employees Resistance. Strategy

ABSTRACT To tackle the problems bedeviling the banking sector in Nigeria and restore depositors confidence in the sector, the Central Bank on July 6, 2004 mandated all 89 banks to recapitalize to the tune of N25 billion on or before the December 31, 2005. Most of twenty- five group banks which met this requirement within the stipulated time frame did so through merger and acquisition with varying implications and challenges for employees and their banks such as closure of weak and non-consolidation banks, job losses, poaching, intra wage disparity and employee low commitment to work in post- consolidated banks. Against this backdrop employees in the sector have resorted to active and passive resistance to protest and resist job losses and other negative implications of consolidation. Situating consolidation and employee resistance within the context of neo-liberal and neo-Marxist theory respectively, this paper argues that employees' resistance is a passionate protest against capital encroachment and onslaught on their means of survival. The paper therefore suggested some strategies that may be used to overcoming employees' resistance to changes sweeping across the financial sub-sector in the post-consolidation era in Nigeria.