IMPACT OF REDUNDANCY ON SURVIVING EMPLOYEES

A STUDY OF SELECTED BANKS IN NIGERIA

BY

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DECLARATION

I declare that the work in the thesis titled: **Impact of Redundancy on Surviving Employees: Study of Selected Banks in Nigeria** was conducted by me in the Department of Business Administration. The information derived from Literature has been duly acknowledged in the text and list of references provided. No part of this study was previously presented for another degree or diploma at any university.

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CERTIFICATION

This thesis titled "Impact of Redundancy on Surviving Employees: A Study of Banks in Nigeria" conducted by Ladan Sahnun meets the regulations governing the award of the Degree of Master of Science in Business Administration of Ahmadu Bello University Zaria, and is approved for its contribution to knowledge and literary presentation.

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ABSTRACT

This study examines the impact of redundancy on survivours in Nigerian banking industry as it continues to restructure and downsize its workforce. The extent of this on survivours can seriously affect their productivity and thus have an adverse effect on the Banks performance. This study is therefore predicated on the nude factors responsible for survivours reactions and its implications on their performance. . Both primary and secondary data were used for the study through the use of interview and the administered questionnaire to the respondents that is the surviving staff after redundancy. The data collected were analysed using percentages and Pearson r chi-square to test the hypotheses. The study finds that there is a negative impact of redundancy on survivours as a result of the procedure, notification and aftercare of the leavers by the Nigeria banks. These affect their morale and motivation but have little implication on loyalty and commitment. The study recommends that organizations should give attention to survivours reaction at any point in time to avoid high labour turnover and instill confidence in the remaining staff by being fair in handling redundancy problems and adequate notification should be available where redundancy is necessary.

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CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

In recent times studies tend to suggest that job losses and redundancy are on an alarming increase and the management of it is becoming of central importance to top management and human resource executives (Fiona, 2000). The pressure for improved performance to meet more intense global competition explains why many sectors like the Nigerian banking industry are setting higher standards for employees and are disengaging those who do not meet those standards. In addition, the collapse of many companies in Nigeria due to inadequate funding or inability to make changes that would boost business activities made many workers to lose their jobs. This has significantly impacted on both the survivors and management of such business. Statistics show that the then Standard Trust Bank plc reduced its workforce to 700 from 1,863, while First Bank Plc reduced its staff strength from 7,765 in 2005 to 6,395. In a bid to meet the 25 billion naira capital base more than 8000 workers from different banks were also laid off (Adeniji, 2005). This development creates fear and insecurity among those who remained in the system.

While communicating with lay off workers tends to receive a lot of attention, there has been neglect of the overall effect of this redundancy on those who survive th disengagement. Indeed, the treatment meted to the departing employees can bealso determine the survivours' reactions to both their jobs and management.

A redundancy situation arises where a business continues to operate but is no longer a need of the services for which the employee was originally employed. It can also occur when an employer recognizes the need to improve upon its efficiency; as such, fewer people are needed to do the same amount of work. This may be done through disciplinary procedures; however performance management processes are usually used to identify under-performers. Properly administered, such processes will emphasize positive improvement and development plans. The positive result arising from a proactive approach include the organization meeting its ethical commitment to its departing employees, encouraging remaining employees to accept the situation more readily allaying their fears about the future and showing the organization in a favourable light in the business community and the society in general.

The reactions of the departing employees and those left behind may have a significant impact on the organization and this means that there should be a good policy and procedures of implementing redundancy programme. The purpose of redundancy may be presented as essential to make an organization more successful, productive and competitive, but the impact on those remaining staff may actually inhibit this, for example, the new policy on recapitalisation of Nigerian banks led to the merger of some banks and resulted to the reduction of workers. Although , there are many procedures in handling redundancy, the application of these procedures is lacking in some organizations, particularly in the areas of planning, the selection and the notification of staff by the company.

More so, despite staff reductions perhaps being the knee-jerk reaction of management during an economic crisis, it is not always the most financially viable – and certainly not the first method of cash retention that should be turned to instantaneously. It also makes growth of the business very difficult during times of improvement in the economic climate.

Although there has been some nature recently particularly in the United States of America (USA) and Britain, there has been a death efforts are in Nigeria. This study therefore examines the impact of redundancy on surviving staff in Nigeria Banking industry. The research also explores the emotional, attitudinal and behavioural effects of redundancy on survivours and the implications for the management. The study also attempt to find out the impact of redundancy on the organization in terms of job related stress and organizational commitment.

1.2 Statement of the Problem

The focal point of effective human resource management is on managing people with the hope of enhancing employer-employee relationship. Banks are considered a critical sector of the economy and it is important that the workforce supporting these banks is well motivated and effective in delivering the services.

In 2004 when recapitalization policy was adopted, many Nigerian banks could not sustain the large number of their employees; these banks has to lay off some staff with intention

to cut cost and increase efficiency. However, the desired efficiency envisaged was adversely affected with the input of the surviving work-force. Lay-offs generally have the tendency to create fear, uncertainty, insecurity and feelings of loneliness often termed as "survivours syndrome" among the staff that are not affected by downsizing. These adverse feelings or attitude could be counter-productive since, individual carry their emotions into what they do.

Redundancy can create acrimony between organization and staff that are not affected by lay-off and thus result in low productivity, high staff turnover, and feeling of insecurity, industrial unrest, which can impact on profit. Redundancy is therefore, a problem that organizations have to contend with, especially, in periods of financial restructuring. An organization that views redundancy as a problem may likely overcome its effects.
However, when insecurity becomes palpable in any organization even the most loyal and conscientious stay be demoralized. This may eventually tend to absenteeism and other unethical issues may escalate.

Improper planning or inadequate redundancy policies by some organizations constitute great problems to some organizations thus making external and internal relationships potentially difficult and possibly damaging. Making staff redundant is also probably the hardest management policy, but it is sometimes inevitable if an organization is to survive. It is however essential that employees are sensitive to such redundant workers by way of proper management in order to reduce fear and anxiety amongst the remaining workers.

It is against this background that the study to examine the impact of redundancy on surviving employees in Nigeria Banking industry with a view to proffering some solutions.

1.3 Research question

The study aims at addressing the following questions.

i. What factors are responsible for the high rate of redundancy in Nigeria banks
ii. To what extent does redundancy affect survivours in Nigerian Banks?
iii. How does the reaction of survivours affect the performance of the banks?
iv. How can redundancy problems be addressed or ameliorated?

1.4 Objectives of the study

The main objective of this study is to examine the impact of redundancy on surviving employees in Nigerian banks.

Other specific objectives include

i. To examine how survivour's reactions can affect their performance.
ii. To determine the causes of redundancy in Nigerian banks.
iii. To determine whether survivours reactions can affect the performance of the banks.

1.5 Hypotheses of the Study

In order to guide this study to achieve its objectives the following hypotheses were tested.

H_{O1} : Redundancy has no significant impact on the surviving employee's reactions.

H_{O2} : Redundancy has no significant impact on the performance of the survivours.

1.6 Significance of the study

The major significance of this study is its contribution to existing knowledge on survivors rather than leavers under a redundancy situation. Policy makers at all levels will find this study useful as it explores the impact of redundancy and how it can be managed. Employees will also benefit because it provides an insight to understanding the problem and how they will prepare for it. Finally, students and researchers will find this study of great benefit as it serves as a framework for which subsequent studies on the area can be conducted.

1.7 Scope/ Limitations of the study

The study examines the impact of redundancy on surviving employees in 21 Deposit Money Banks listed on Nigeria Stock Exchange and how it affects their performance. The study covers the period 2009-2011. This period was chosen because it was the period that some banks laid off their staff in Nigeria as a result of Government policy on recapitalisation, economic and financial crisis that led to the merger of some banks.

However, the study could not examine the impact of redundancy on the performance of the banks due to the inability of the researcher to obtain some vital information from the

banks. The information regarding the number of staff laid off was considered confidential and are inaccessible.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter focuses on the concept of redundancy and how it affects the remaining staff in organization. It also involves the review of some previous studies on redundancy, its types, planning and management.

Concept of Redundancy

According to Oguniyi (1991) redundancy in Nigeria is governed by section 19 of the Labour Acts 1974. The Act defines redundancy as "the involuntary and permanent loss of employment caused by an excess manpower". Oguniyi observes that this definition is too narrow and restricted. For example, he exposes the insufficiency of the definition by asking, what happens if an employer closes his entire operations or work, is there any cause of redundancy? In such case he argues that the law leaves the employees at the mercy of the employers as to what he may decide to pay.

Redundancy according to Oxford Dictionary is a case of the loss of one's job because there is no work for him. However, it is used for all forms of dismissals and interchangeably for unemployment, lay off, retrenchment, excess manpower situation, and broadly for all types of workers separation.

Cole (1991) sees redundancy as the loss of job on the ground that it is no longer required or no longer available at a particular place of employment. British employment protection Act of 1978 defines redundancy as "dismissal due mainly to: the fact that his employer has ceased, or intends to cease to carry on the business for the purpose of which the employee was employed by him or has ceased, or intends to cease, to carry on that business in the place where the employee was so employed , the fact that the requirement of that business for employee to carry out work of a particular kind, in a particular place, have ceased or diminished or is expected to diminish.

This definition shows that while it is the employee who is dismissed, the lack or change of work is the criterion. Shaun and Alfred (2002) argue that an employee may be redundant if: The company where he works ceases or intends to cease trading for the purpose for which the employee was employed; or his employer stops to carry on business altogether; or there is a reduction of a particular kind in the place where the employee is employed. He is dismissed for reasons not related to the employee. e.g. restructuring or reorganization of a company. Ngu (1994) observes that there are 3 ways through which workers leave their jobs.

Firstly, it could be at the initiative of the employer (e.g. compulsory retirement and dismissal). Secondly, due to the uncontrollable circumstances, and thirdly, at the instance of the employee concerned. Garry (1997) posits that an employee can be dismissed due to; unsatisfactory performance, misconduct and or insubordination, lack of qualification

for the job, changed requirement of the job or when he is eliminated. According to the Chartered Institute of Personnel And Development (CIPD 2004), "dismissal may be termed when it results from either. Cessation of business, cessation of business at the employees cites, or a reduction or cessation of work, anticipation of a reduction or cessation of work. The implication is that unless one of these criteria is met, the dismissal could be regarded as unfair. This definition also establishes the right for an employee to receive a statutory redundancy payment. Mumfort (1988) opines that employees cannot be made redundant for reason of poor work, discipline or ill health. Neither can a worker be said to be redundant when they refuse to accept rearrangement in their work and therefore are dismissed.

2.2 Types and Causes of Redundancy

Redundancy is a phenomenon that is unwanted and unprovoked by either the organization or the employees. From whatever angle one views redundancy in organizations, the nature and types of redundancy may be identified according to their causes. Majority of redundancies are initiated by forces external to the organization. Many conditions can create a situation of redundant labour in organizations. "Redundancy" is largely an outcome of austere times when business activities are low due to low demand and investment, which is evidence by poor return and increased business failures. Ajumawa (2003) however, to put the above statement on the balance, argues that it is wise at this point to say that redundancy can also be caused by economic advancement. The shift from capital-less intensive to capital – intensive production can

cause a great redundancy situation. Redundancies are often referred to as economic separations. To survive in difficult periods and in an inclement environment, businesses devised strategies to survive. Ajumawa (2003) outlines four (4) causes of redundancy in workforce i.e. reengineering, repositioning, merger and acquisition, all survival strategy in hard times.

Reengineering: Stoner et al (2002) describe reengineering to mean "radically rethinking and redesigning those processes by which an organization create value (for customer) and do their work"; the essence is to increase strategic speed (one that reduces mistakes and time wasting), improved quality of service and reduced overhead. Most accountants believe that the most speedy and visible way to reduce overhead cost is to cut down labour cost, by reducing headcount.

Repositioning: Companies reposition to take advantage of new opportunities in a competitive environment and to avoid certain threats. Sometimes this necessitates eliminating some organizational activities, with attendant job cuts.

Merger and Acquisition: Utomi (2000) sees this as a process by which corporate entities not satisfied with organic internally generated growth, seek to combine the resources of independent corporate entities in the expectation that synergy in their assets and other capabilities and vis a vis that may be unlocked by the combination will facilitate the creation of value to customers. Whenever such fusion takes place, certain employees of

the merging companies may be unneeded. Merger and acquisition do normally prompt downsizing especially when jobs and/or facilities become redundant.

Studwick (2002) posits that "redundancies may arise due to a number of causes". First, when an organization or part of it is sold, merged, or taken over. In this event the new owners will want to exploit new opportunities, which generate higher returns through cost saving, closing of certain operations due to duplication or poor performance, restructuring central services and generally stamping their mark on the new organization. Secondly, if an organization is part of a business that is going through structural decline.

Studwick (2002) gave the example of the coal and steel industries in the United Kingdom, which had massive redundancy programmes in the 1970's and 1980's due to declining demand and international competition. Presently in Nigeria, textile and footwear industries are witnessing the same phenomenon.

Third, Economic recession: Studwick is also of the3 view that a recession, even if short lived can bring the chill wind of sharply reduced demand and a demonstrated over manned situation which will need to be remedied. Surely to remedy this overmanned situation would mean a lot of job cuts.

Ajumawa (2003) supports the above assertion by saying that the "period of economic recession provides the platform for redundant labour". Downsizing is usually used as

solution when necessary period are short lived, but when it persists, factory or company closure becomes an alternative.

Fourth, Advancement in technology: Automation of assembly industries for instance, can reduce the number of employees by a factor of four or more. Also, a computerized data processing department is capable of handling the clerical work of a great number of employees who could do the work manually. Technological change therefore, can make people to become redundant because their skills become irrelevant.

Fifth, Studwick also asserts that redundancy occur when a company is driving towards efficiency by way of re-engineering or benchmarking; this may reveal that benefits can accrue to the organization through manpower reduction.

Glueck (1979) stated that, Redundancy can also arise when an organization is witnessing a slack season. He maintains that shortage of raw material such as fuel, or poorly designed or marketed product can cause an enterprise to have a surplus of employees. Other triggers of surplus situation includes; government policies of privatization, liberation, monetization, commercialization, deregulation etc. recent upsurge in redundant labour in the manufacturing industries is as a result of these policies.

2.3 Effects and Implications of Redundancy

Redundancy has dysfunctional effects on the running of a business organization; Standford (1997) suggested that where redundancies occur, the problem it raises has to be faced by management and employees alike. Brockner (1990) provides the basis of many studies investigating the effects of layoffs on the individual. He used a variety of frameworks and perspectives to explain and predict survivor reactions, from the use of equity theory.

The study of Fiona (2002) in Power Company found that the reactions of the 'Survivours' to the redundancy are very pronounced and there were feelings of worry, threat and insecurity. Empirical evidence provided by Greenhalgh (1983) and Armstrongtassen (1993) that the post layoff environment can be stressful for a number of reasons: survivors are worried about their own job security, there may be anger associated with the process by which the redundancy program has been implemented and there may be concerns about the creation of heavier workloads due to the reduction of manpower. Brockner (1988) suggests that the onset of stress typically leads to changes in survivors' work attitudes and behaviors such as reduced organizational commitment, job satisfaction and increased turnover intention.

Several studies identify emotional responses in survivors such as guilt, betrayal and isolation Machlowitz (1983). These employees' reactions were compared to survivors of other distressing events, such as natural and man-made disasters. Brockner (1985)

undertook study using students who were required to complete a proof reading task. The students were then subjected to a 'layoff' and were subsequently asked to complete a questionnaire to investigate how they had felt and whether or not they felt the process had been fair. The results found, in support of equity theory, that following layoffs 'survivours' experienced increased feelings of remorse and negative attitudes towards co-workers (in order to redress the balance of inequity). Secondly, the study revealed that those who perceived injustice produced less in their second proof reading task simultaneously suggesting that layoffs have the potential (negatively) to influence productivity.

Furthermore, these results highlighted the immediate response of an individual but do little to explain what the long and medium term effects of redundancy have on survivors, their work and their expectations of the organization that they work for. Brockner (1986) later conducted a similar study using a field study (in the retail industry) to back up their lab results. Again, based on equity theory, the results reported feelings of anger, anxiety, guilt and relief. Survivors were reported as feeling angry towards management and the way they had been treated. They were anxious as to whether or not they would be laid off in the future and felt relief and guilt about retaining their job whilst others were losing theirs. From a slightly different perspective, another study identified the concept of survivor 'envy' Cameron, Freeman & Misnhra (1991). This was exhibited when survivors were jealous of those who left the organization. This raises the question as to who are considered the 'luck-ones', those who leave or those who stay.

Noedr (1993) suggested that survivors were resentful of being made to feel as if they were the lucky ones and should feel happy that they still had a job. This may be particularly true when in reality, those who remain are faced with a heavier workload, more responsibility and potential for more stress.

Brockner *et al* (1988) investigated the level of job involvement following layoffs. Their research found that in a mild layoff condition, work ethic was a predictor of job involvement, in that those with a strong work ethic are less affected by layoffs. However, in a severe layoff situation, work ethic was not a predictor of involvement suggesting that in large scale organizational change, even those who are usually able to cope are affected by layoffs. Sutton & D'Aunno (1989) supported these findings and suggested that stress can be a significant outcome of layoffs combined with feeling of threat and worry and that survivours can become 'frozen' by stress and uncertainty. Job insecurity can also be seen to be induced by layoffs. Ashford, Lee & Bobko (1989) identified a gap in the previous research and noted the lack of a widely used comprehensive measure of job insecurity. They found that job insecurity leads to reduced commitment and reduced job satisfaction.

Furthermore, their US survey found that lack of predictability and lack of control (over organizational processes) might induce job insecurity. This can be interpreted that in a layoff situation, employees often have little or no control over the outcome or procedure, which in turn generates insecurity, reduced commitment and job satisfaction.

2.4 Trends and Threat of Redundancy in Nigerian Industries

Several economic measures were put in place in an attempt to remedy the ailing Nigeria economy. Such measures include; deregulation of fuel prices, privatization of government enterprises, liberation, tax reform, monetization, fiscal/budgetary reform, due process, trade reform, so on. This inclement business environment provoked by many variables such as technological changes, financial crises etc. have pushed many companies into devising various strategies to at least survive if not to win in this competitive environment. Appearing in the various dailies and magazines since 2000 to date are stories of under capacity utilization, mergers and acquisitions, takeovers, downsizing of workforce and closure of factories which lead to job losses. For example, the Banking industry which was affected by some of these policies laid off many of its workers. Statistics shows that the then Standard Trust Bank plc reduced its workforce to 700 from 1230 while First Bank Plc reduced its staff strength from 7,765 in 2005 to 6,395 in a bid to meet the 25 billion naira capital base as a result of consolidation (Adeniji 2005). The Nigerian baking industry has undergone remarkable changes over the years in terms of the number of institutions, ownership structure as well as depth and breadth of operations. These changes have been influenced by challenges posed by deregulation of the financial sector, globalization of operations, technological innovation and adoption of supervisory and prudential requirement that conform to international standard these changes have led to downsizing of workforce and the remaining workers face the challenges .

In the same vein in October 2003 Scarce Black oil threatened 50,000 textile jobs; this threat was attributed to the 300 percent increase in the price of black oil used in textile industry following government policy of deregulation of fuel prices. The General Secretary of National Union of Textile Garment and Tailoring Workers (NUTGW) observed that Kaduna used to be known for the production of textile has lost almost all its industries.

In 1992, Asaba textile Mill had a staff strength of 4000 but was reduced to1800 and further reduced to 350 in 2002. By 2002, 83,000 workers had lost their jobs in textile industry seven years after the country joined the World Trade Organization (WTO) as a result of the closure of five textile industries in the country. These companies include Rekha, Arcee, Texton, Doamond and Swantex with textile industries. (Jude 2002). By December 2001 there had been a tremendous loss of 115,660 jobs in the manufacturing sector too. Textile apparel and footwear were the most affected (Ubuaja 2003). The public parastatals too were not spared by the whirl wind of redundancies occasioned by the same policies of the federal government. For example, the restructuring of the Nigeria National Petroleum Corporation (NNPC) directorate from 6 to 4, affected 18,000 workforces. The Nigeria Railway Corporation (NRC) similarly retrenched 5000 out of 12,000 workforces (Business Times 2002). Shoal (2003) observed that the Nigeria airways also retrenched about 1000 staff in January 2002.

Recognizing the necessity of meeting the challenges posed by these policies of government many companies resulted into restructuring while those without alternative closed up as a result of insufficient working capital, shrinking market, influx of companies with substandard products and high cost of borrowing are reasons cited for the trend in the private sectors (Shoal, 2003). However, for the public sectors the reason was to enhance efficiency of government owned corporations which were inefficient in order to prepare them ready for privatization. The accelerated trend towards restructuring in today's turbulent environment of increased competition has contributed to a growing rate of separation due to redundancies.

2.5 Redundancy Management

Redundancy is both a managerial as well as socio economic problem. As a management problem Drucker, (1986) contends that except the gap between shortage of labour and redundancies are bridged, developed countries will be in grave danger, and that unless redundancy is seen systematically as an opportunity, and above all by existing business with knowledge and capital to act, developed countries will suffer an ever worsening problem that threatens the future of any developed economy. Richard, human resource Director at Hoechst Rounsel pointed out that people need to be treated as if they are valued and handled in humane way as possible. They never forget the way they are treated when they are redundant and neither do the friends and colleagues who remain behind. Studwick (2002).The statements underscore the importance wick of property handling redundancies and all forms of unemployment. Government and management in

developing countries will never be in less danger if they trifle with redundancy and the growing unemployment. The insensitivity with which employers handle redundant workers calls for a rethink and proper management.

Managing redundancy is an integral part of a Human Resource Manager's job that requires "tact, honesty diplomacy and sensitivity". If badly managed, the trust of the workforce can be irreparably damaged creating long term problems in productivity and commitment" Studwick (2002). It is for this reason that, Drucker, maintains that it has to be managed and managed by managers in institutions rather than left to governments and politicians. There can be three approaches to the management of redundancy, namely, Redundancy planning, Redundancy policy and Redundancy process.

2.5.1 Redundancy Policy

Mumford (1988) observes that despite the provisions of the law, a good organization "will consider a far more comprehensive approach to redundancy as part of their manpower policy and planning. He says redundancy policy must have adequate arrangement for reducing numbers and / or cost rapidly in those categories and activities affected. While protection of the organization is of prime importance those adversely affected should be treated more generously.

A company's redundancy policy should be considered with a clear objective formulated. Protecting the economy and development of the organization, safeguarding the interest of the employees, avoiding adverse effects on the local community, social and corporate consideration: Efficiency of the labour force should not be the only consideration. The far-reaching consequence on the employee and the community should not be ignored especially where the company is the sole employer.

Methods of avoiding or reducing the impact of redundancy. These may include: Identifying and selling surplus capacity even at a marginal cost in order retain skilled labour. Freezing recruitment, Stop overtime so as to share available work, accept volunteers, redeploy or use inter departmental transfer, ceasing subcontracting or the use of agency staff, use short time working for a limited period, use the principle of voluntary retirement or make early retirement very attractive. Selection method: available alternatives could be Last in First Out (LIFO) principle, performance measurement, skill and competence and selecting volunteers. Others may include attendance record; disciplinary record ACAS. The best selection method, however, must be that which is acceptable to all interest group. Consultation**;** a consultation policy on timing and methods of selection should be in place to avoid adhoc negotiation and bargaining. Consultation involves notification. More so, Management should ensure that notification does not precipitate rumour and loss of confidence. Compensation; the policy should take note of what the organization would to gain by reducing surplus workers. Where

redundancy becomes an opportunity for the organization, there should be fair treatment of the victims.

Assistance to the victims**:** the assistance should include more generous compensation, counseling, assistance with job hunting or setting up new business and training for self employment.

2.5.2 Redundancy Planning

Organizations must be diligent in their design of the desired future. A part of her manpower plan should be for redundancy. To highlight its importance, Drucker (1980) state that redundancy planning is a major responsibility of management, and a major task of managing turbulence. He continues that redundancy planning should be embraced as a major opportunity for effective leadership in enterprise, community and society. This plan he said must embrace anticipating redundancies, retraining people and placing them.

Furthermore, that redundancy planning must be a cooperative venture involving the employees, unions and management – management been the initiator. He asserts that for redundancy planning there must be: A commitment on the part of management to life time employment in the economy which ensure the employees against redundancy caused by structural change (economic or technological) without tampering with the ability of the economy to change structures, to adapt or innovative; Anticipation of rapid changes and how to adapt fast. This fore shift and forecast should be the base of the plan,

Provision for retraining redundant workers and placing them on alternative jobs and Implementation i.e. the step-by-step action taken should be outlined in the plan.

He concludes that "redundancy planning make much sense and such organized planning is so badly needed". It is observed that with a good corporate plan on redundancy, an organization could be geared towards future development, taking advantage of new situation and circumstances and avoiding distant and imminent threats. In the event of such turbulent times it is suggested that organizations should be encouraged to implement positive policies as careful planning can help to minimize the trauma. A positive policy should cover a number of issues before, during and after the event. An organization should clarify its business objectives, communicate clearly and design the downsizing programme in order to avoid the uncertainty and anxiety created by the situation. The positive results arising from a proactive approach include the organization meeting its ethical commitment to its departing employees, encouraging remaining employees to accept the situation more readily, alley their fears about the future, showing the organization in a favourable light in the business community and in society in general.

Therefore, planning for retrenchment and in particular for the impact from a human resource perspective are very important.

There is evidence from the organizations' point of view that the most successful downsizings are those which are strategically thought out in terms of both the business

and the human resources implications. The adoption of positive policy in the event of redundancy can therefore be seen as a central part of an human resource management philosophy which aims to secure the organization's long term survival.

2.5.3 Redundancy Process

Studwick (2002) suggests that a constructive process must be followed in carrying out redundancy programme. First, notification and consultation with union, workforce or its representative in some form in every situation is needed. Consultation should take the form of announcing the redundancy programme, giving details of reasons for it. The timing, selection process and form of payment must be included in the discussion between the employer and the relevant trade unions on behalf of the workers affected. It makes good business sense to allow for openness as possible in the discussion.

Second; the selection process must be that agreed by both parties and one that does not violate the law. The procedures to be used must be fair in them and carried out transparently. Process available to employer include: Selecting employee who volunteer, Last in first out, Performance measure (this should include measure variables such as initiative, punctuality, speed and accuracy, attitude to work etc). The evaluation should be impartial and not to dispense those considered 'trouble makers' and Skill and competence that highly valued or those short in supply be retained.

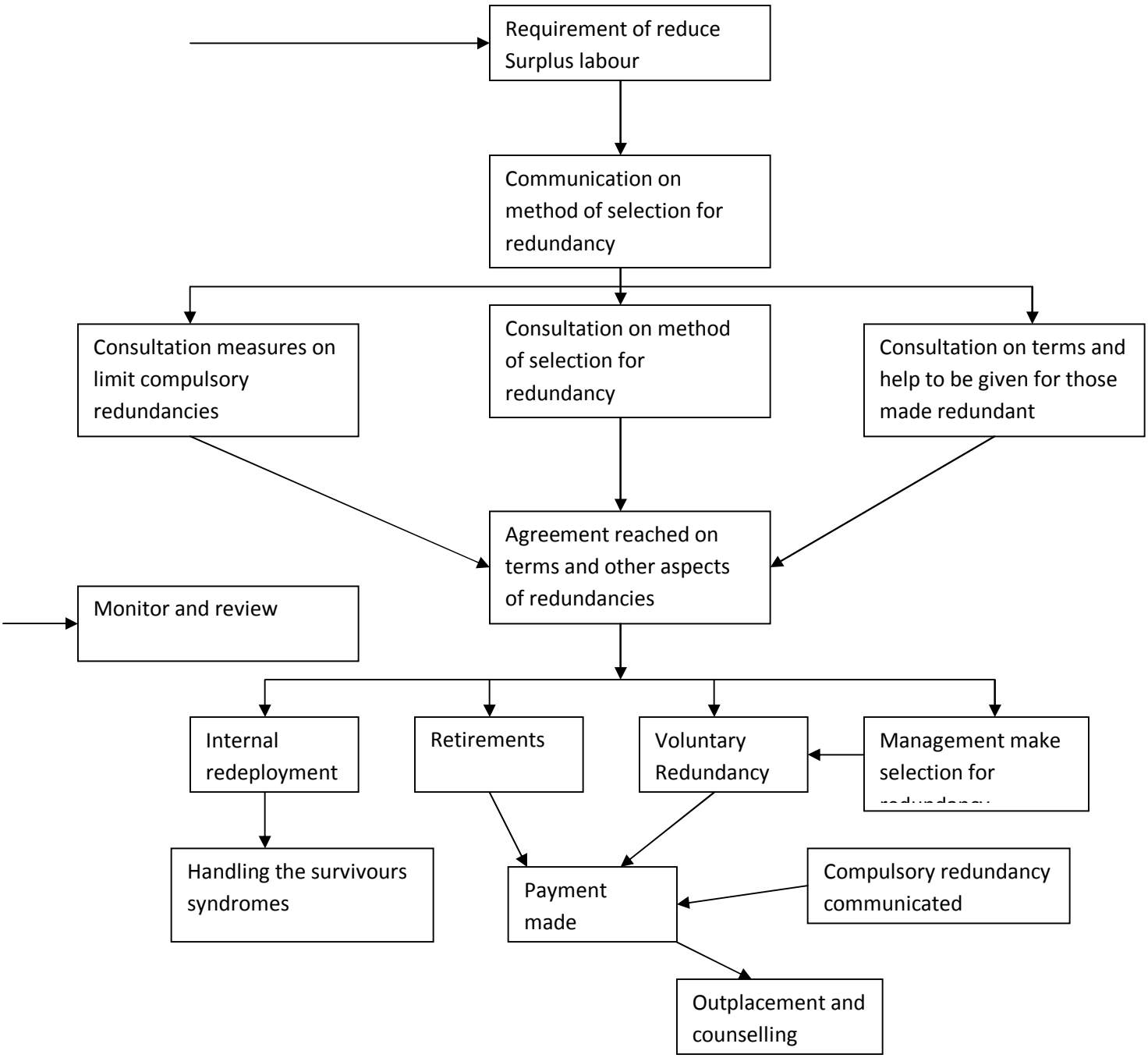
Thirdly, the pay should show a degree of generosity where possible. These may encourage volunteers.

Forthly, relocate or redeploy where necessary especially where the cause of the problem is expected to be temporal. Fifth, an important role of human resource is to help those employees who have made redundant to obtain suitable alternative employment. The help should be in form of carrier counseling and planning, drawing up their curriculum vitae and preparing them for job search and interviews. They can retrain those concerns or help them acquire new skill. Studwick summarized the process by saying that the role of human resources department in redundancy includes the way redundancies are announced, the consultation process, a commitment to ways to reduce the impact of redundancies. However, beyond managerial problems, redundancy is severe social problem.

Drucker (2002) expects managers to see redundancy not only as a managerial problem but also a social problem. He calls on government and entrepreneurs to jointly handle the situation. He suggested that; Government should provide money for retraining those concerned especially where structural change has occurred, Retraining should be on a specific job in which an individual can be assured of another job once he acquires the skill. Such training should be specific on individuals rather than general and has to be integrated with placement. Ajumawa (2003) commend organizations that use impartial employee's appraisal to determine who get sacked or stay but berates what he calls the 'Nigerian Factor' in handling redundancy especially in public organizations where

victims of redundancy are simply scapegoats. He suggests that; Government should ensure that adequate security is provided to guard workers against abuse. Workers should be motivated intrinsically and extrinsically, ensure human resource managers in government should be those with requisite training, ensure that there is no mismatch in appointment. Ensure prompt payment of severance packages.

REDUNDANCY PROCESS



Process of Redundancy, Studwick, 2002 pg. 222

Notification of Redundancy

According to the Chartered Institute of Personnel and Development (CIPD) (2003), the Department of Trade and Industry needs to be informed in writing of redundancies with the following notice periods.

i) At least 90 days if 100 or more employees are to be made redundant

ii) At least 30 days if 20 to 99 employees are to be made redundant

iii) No notification is required if less than 20 employees are to be made redundant.

2.7 Employee Retention and Job Security

Every organization wishes to retain its competent workers for as long as it needs them. This is because achieving organizational goals goes beyond hiring competent employees. The secret of success of any organization is simply the way it treat its employees, (Akio 2001).

Job security is simply defined as the guarantee that will keep job for as long as one has the ability to perform. Progressive firms believe that recurrent employee turnover impedes progress and achievement of organizational goal, hence they make provision to retrain their employees. Such organizations take dismissal as the last option only after all practical steps toward rehabilitation or salvage of the employee have failed. Berlew and Hall, (1967), listed thirteen (13) expectations which new employees bring to their job, among which are challenge, power and responsibility, salary and degree of job security etc. similarly, Joth (1980) notes that employees have fundamental basic need among

which is security derived from knowledge that a job will exist for as long as the employee wishes to work and can perform his duties properly. Given the unpredictable nature of business environment, can job losses, labour turnover, and separations be avoided? The answers to this question vary from organization to organization and from one setting or situation to another. Some organizations maintain that non-disciplinary separations are inevitable and can be initiated by either the employer or employee. Some on the other hand believe that job security and employee commitment is a reality and they can go hand in hand.

Job security is good for both the employer and the employees. Legross (1971) observes that apart from the fact that job security guarantee a continued source of income; continued employment is necessary for three reasons: it maintains the employees moral; it is helpful for self-esteem and it is probably good for a man to continue in the companionship of other people. To the employer, it serves the following purposes, it build strong mutual bond between employer and employee; it enhances the reputation of the organization; guarantees steady, quality and continuous production and could increase profitability. Therefore, both employers and employees should do all they can to keep the employment contract. Where continued employment is constantly threatened by technological changes and structural redundancy is imminent, workers should acquire skill frequently; this would improve their relative security. Employers should rise up to the challenges of lifetime employment without guarantee as companies in Japan practice. Drucker (1980) advises government in developing countries to make job security and

creation of productive job manufacturing a priority. This, according to him should take precedence over nationalist pride and traditional beliefs. However, government should enact laws that make unnecessary separation impossible.

2.7 Theoretical Framework

Equity theory attempts to explain relational satisfaction in terms of perceptions of fair/unfair distributions of resources within interpersonal relationships. Equity theory is considered as one of the justice theories developed in 1963 by John Stacey Adams who asserted that employees seek to maintain equity between the imputs that they bring to a job and outcome that they perceived inputs and outcomes of others (Adams, 1965).

The belief is that people value fair treatment or perception thereof, motivates people to keep such fairness maintained within the relationship of their colleagues and the organization. Equity in the workplace is founded on the ratio of inputs to outcomes; inputs being perceived employee contribution in terms of skills, experience, time devoted, etc for the benefit of the organization and outcomes being financial remuneration, recognition and appreciation of the employee's inputs. He further states that people who feel that they are either over or under rewarded for their efforts/inputs are prone to experience distress and feel disturbed. Such feeling of distress leads these people to make efforts towards restoring equity to the relationship, be it organizational, personal or intimate. Equity theory deals with two questions: (a) what do people think is

fair and equitable? (b) How do they respond when they feel they are getting far more or far less from their relationship than they deserve.

Equity theory involved the following: *The give and take relationship theory*: identified by Adams as input-outcome relationship, the give and take ratio is the pivotal aspect of this theory. It is in trying to balance the perceived give against the expected take that this theory comes into play.

Reference points and comparisons: give and take alone is not what sets the equity theory into motion. There has to be a reference to others and a comparison of the ratio of give and take of oneself with others who are working under same conditions, giving proportionate if not same input.

Relative Theory: the equity theory of motivation is not based on absolute premises. Its structure and beliefs are based on perceived and not established equity. Perceived being a volatile and random psychological premise, the equity theory can assuredly be called relative theory.

The criticisms of the theory

There is a lot of criticism directed toward both the assumptions and practical application of Equity Theory. The theory was questioned for its simplicity arguing that a number of demographic and psychological variables affect people's perceptions of fairness and interactions with others. This means that survivours may not necessarily be unhappy because of unfairness but some factors may also influence their act. More so, critics have also argued that people might perceive equity/inequity not only in terms of the specific

input and outcomes of a relationship, but also in terms of overarching system that determines those inputs. Thus, in a business setting, one might feel that his or her compensation is equitable to other employees, but one might view the procedural system as unfair, (Carrel and Dittrch 1978).

By 1990, research into survivours had taken a step forward from the earlier Equity Theory, towards the use of Justice Theory. A theory of social justice according to which people perceive a situation as fair when their own ratio of inputs is the same as those of others with whom they compare themselves. However, according to Laurie (2005), equity focuses on peoples' feelings of how fairly they have been treated in comparison with the treatment by others. The theory further states that people place a weighting on the various inputs and outcomes according to how they perceive their importance, that is, when the ratio of a person's total outcomes to total input equals the perceived ratio of other peoples' outcomes to total inputs, there is equity. But when there is an unequal comparison of ratios the person experiences a sense of inequity.

Brockner and Greenberg (1990), assert that the use of organizational justice may enhance a more comprehensive understanding of why survivours react in the way that they do. This theory also enables researchers to expand the issue of 'fairness' of the layoffs to include the outcome, procedures and interpersonal treatment received by employees. Konovsky and Floger (1991), also examine layoffs from the perspective of organizational justice. However, their study concentrates on leavers rather than survivours. The results

show that leavers were less likely to hold negative views of the organization if they perceived fairness in the layoff decision and process (distributive and procedural justice respectively).

A later study conducted by Naumman, and Martin (1995), investigated the effects of organizational support and interaction justice on the victims (leavers) of layoffs. Their study show that interactional justice was associated with organizational support and organizational support is positively related to organizational commitment. In terms of survivours of layoffs, this may suggest that both interactional justice and organizational support help to explain the effects of post redundancy commitment to an organization. Noer (1993) describes what he calls 'survivour sicknesses, encapsulating feelings of fear, anxiety, depression, guilt, a sense of loss and anger. In terms of behaviours, Noer recognizes a tendency to avoid risks and defensiveness among survivors.

As with previous studies, Noer (1993) believes that these reactions are influenced by the level of injustice they perceive in the process and the extent to which the employment/psychological contract is changing. Reilly, Brett and Stroh (1995) suggest similar reactions and propose that as downsizing increases, survivors become more loyal to their own careers than to the organization they work within. This suggests that the internalization of loyalty may affect organizational commitment and the ability of organizations to retain key staff.

Furthermore, *Davy et al (1991),* in their extension of Brockner's earlier work show that survivors job satisfaction, organizational commitment and intension to withdraw/turnover could all be affected by layoffs. In particular, Davy, & Scheck (1991) found that survivors who perceived a lack of control are more likely to leave the organization. It was also suggested that organizations are in danger of losing too many employees, not the 'right' employees and may, in time, be faced with unmotivated, dissatisfied, and uncommitted employees.

Consequently, Armstrongstassen (1993) notes that trust in the company is lost, survivors felt insecure and organizational morale diminished. The argument therefore is that managers and non managers (are expected) to respond differently to redundancies for a number of reasons, primarily as they have access to more information, but also as they have a greater level of control over their work environment and decision making. In addition, Armstrongstassen (2002) found that those survivors who had seldom or never experienced redundancy in their department exhibited more negative reactions than those who had experienced numerous layoffs. This suggests that unexpected redundancies which are also perceived as unjust against the organizational norm are more likely to create negative responses from survivors. Previous studies also have clearly identified a wide range of emotional, attitudinal and behavioral responses in survivors following layoffs. These studies have also attempted to delineate the causes of these reactions, such as the perceived fairness of the process, relationships with leavers, organizational support, level of control and interpersonal treatment received from management. It sheds

light on the procedure, process and the outcome of these factors unlike equity theory that emphasize fairness in input/output and it is on this ground that the Justice Theory was adopted for this study.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the methods of investigation adopted. The chapter contains relevant facts concerning the research design, population of the study; as well as the analysis of data and justification for research methods used.

3.2 Research Design

The study is descriptive in nature and the Survey Method is employed. A survey study according to Kelinger (1977) is a research which studies large and small population (or universe) by selecting and studying samples chosen from the population to cover the relative incidence, distributive and inter-relations of sociological and psychological variables. The study adopts the descriptive research design in order to determine the perception of employees, management practices and redundancy processes (McBurney & White 2004). The method involves the selection of unbiased representative sample and generalizing the results to the population from which the sample was drawn.

3.3 Population of the Study

The population of the study constitutes the employees of the 21 Deposit Money Banks operating in Nigeria quoted in the Nigerian Stock Exchange, (NSE Fact Book, 2009). The total number of employees was 75,301, (NSE Fact book, 2009). The employees used for the study are those engaged in the handling of the daily customer needs and operational

aspects of the banking business. The employees were considered as respondents because they experienced the impact of redundancy processes.

The study also used convenient sampling technique to administer the questionnaire because of time and financial implications. Convenient sampling technique is a non-probability sampling method that literarily gets sample from whoever is available to receive the questionnaires (Riley, Wood, Clark, Wilkie, & Szivas, 2000).

3.4 Sample Size and Sampling Techniques

These are the processes of drawing sample from the population. They are the methods or procedures available for drawing or selecting a sample from large population. For the purpose of this study the researcher used the convenient sample method. This method gave each element of the population an equal chance of being selected. The total number of the employees is 75,301 according to (NSE Fact Book, 2009). A sample size of 397 was at 95% confidence Level and 5% Precision using Yamane (1967) sample size formula as follows:

The formula: $n = \frac{N}{1+N(e)^2}$

$$= \frac{75,301}{1+75,301(0.05)^2}$$

$$= \frac{75,301}{1+75,301(0.0025)}$$

$$= \frac{75,301}{1+188.2525}$$

$$= \frac{75,301}{189.2525}$$

= 398

n = sample size, N = Population size, e = level of precision.

3.5 Sources of Data Collection

Taking into cognizance the nature and objective of the study, the researcher used both primary and secondary sources of data collection. Under the primary source of data personal interview and questionnaire were used. Both the interview and questionnaire were structured and also open ended in order to be objective and allow the respondents to provide information that are not covered. Data obtained through these means assures originality and eschew subjectivity (Ogwu, 1990).

The study also used secondary sources of data such as documents from the Human Resource Departments of the banks, empirical studies, textbooks, internet articles, and journals to establish the arguments that are related to redundancy. Therefore, in order to explore the research questions, which involve analyzing several variables such as loyalty, commitment and stress within the organizational context, an interview was also conducted to look into the reasons behind individual responses considered more appropriate.

3.6 Data Analysis Techniques

For the purpose of this study, the analysis of the returned questionnaire was based on simple descriptive analysis of frequency distribution of relevant statistical information supplemented by percentage. This is because of its simplicity, clarity and relevance to our data. Means were computed to determine the perception of respondents.

Each of the hypotheses was tested using Pearson Chi square test. It is of a contingency table designed to satisfy two problem objectives: a) to determine if there is enough evidence to infer association between two variables. b) To infer that differences exist among two or more variables. It also enables the researcher to reject the null hypothesis Ho and accept the alternative Hi, or reject the alternative hypothesis. Chi-square is a statistical formula given as follows:

$$\mathbf{X^2} = \frac{\sum (f_e - f_o)^2}{f_o}$$

X^2 = chi-square

fe = expected frequency

fo = observed frequency

The required value of Chi-square test to reject or accept the null hypotheses greatly depends on the level of significance and the degree of freedom (Df). The level of significant is predicted level of error expected in research statistic analysis. The degree of

freedom represents the number of parameter or row minus one, multiplied by the number of column also minus one.

That is:

$$Df = (r-1)(c-1)$$

Where r = number of row

c = number of column

To understand the level of stress, guilt, organizational commitments, job satisfaction and of security among the remaining workers, Folkman and Lazarus (1985) related scale is used. The scale comprise of fifteen different emotions which was designed to measure the level of threat, challenges, harm and benefit. Their original scale was designed to measure the level of before, during and after an examination process. The range of negative emotion chosen by Folkman and Lazarus shows the emotions derived from the qualitative stage of the study. The 5 point Likert scale was applied to rate items. These methods were adopted because they are considered to be more appropriate in facilitating simple interpretation of the data for this study.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter dwells on the presentation, analysis and interpretation of results obtained from the field work for this study in order to provide answers to the research questions raised in chapter one. It also presents the test of hypotheses formulated for the study.

4.2 Data Presentation

A total of three hundred and ninety eight (398) copies of the questionnaire were distributed to the respondents, out of which three hundred and sixteen (316) copies were filled and returned which represent 79.4% of the total questionnaire.

Table 4.1 Sex of Respondents

Sex	**N0.**	**Proportion**	**Percentage**
Male	236	0.756	75.64
Female	76	0.244	24.36
	316	100	100

Source: Researcher Field Survey, 2011

Table 4.1 shows that most of the respondents are male with 75.64% of the valid questionnaire analysed, while 24.36% were female (see Table 4.1). This supports the fact that most of the bank employees are males.

Table 4.2 Age of Respondents

Age	**N0.**	**Proportion**	**Percentage**
20 – 30	132	0.418	41.77
31 – 40	136	0.430	43.04
41 – 50	40	0.127	12.66
50 +	8	0.025	2.53
Total	316	100	100

Source: Field Survey, 2011

Table 4.2 shows most of the bank staff is within the age of 20 – 30 and 31 – 40 with 41.77% and 43.04% responses respectively. The implication of this is that the banks have young and energetic staff and it can efficiently utilize their potentials and be productive.

Table 4.3. Educational Qualification of Respondents

Qualifications	N0.	Proportion	Percentage
OND	36	0.115	11.54
HND	88	0.282	28.21
BSc	156	0.500	50.00
PhD	0	0	0
Others	32	0.103	10.26
Total	316	100	100

Source: Field Survey, 2011

This confirms the interview conducted by the researcher with some bank managers that they are highly interested in fresh graduates with the required knowledge and needed skills to contribute their quota. This supports the findings on the respondent's educational qualification where 50% of the respondents are holders of bachelors' degree.

Table 4.4. Marital Status of Respondents

Status	N0.	Proportion	Percentage
Married	196	0.620	62.03
Single	120	0.380	37.97
Total	316	100	100

Source: Field Survey, 2011

Table 4.4 shows that most of the respondents are married with 62.03% responses, while 37.97% were single; none of the respondents were either divorced nor separated. This indicates that most of these employees are married and responsible.

Table 4.5 Working Experience of Respondents

Experience	N0.	Proportion	Percentage
1 – 5 years	192	0.608	60.76
6 – 10 years	84	0.266	26.58
11 – 15 years	24	0.076	7.59
16 +	16	0.051	5.06
Total	316	100	100

Source: Field Survey, 2011

This table shows that 60% 0f the respondents worked between 1 – 5 years and 26% for 6-10 years the remaining employees have worked for 11-16 years. This implied that since the majority of the employees are young and they have less experience they would like to put more effort to their work.

Table 4.6 Respondents' knowledge on redundancy in their bank

Redundancy	N0.	Proportion	Percentage
Yes	247	0.782	78.16
No	69	0.218	21.84
Total	316	100	100

Source: Field Survey, 2011

Table 4.5 shows that 78.20% of the respondents who agreed that redundancy took place in their organizations. The response indicates that large number of the employees experienced redundancy due to some circumstances beyond their control which may include government policy, economic problems and so on. The implication here is that survivours may develop fear and start looking for another job elsewhere especially where the leavers were not properly treated.

Table 4.7 Respondents' opinion on how redundancy affected their performance.

Response	N0.	Proportion	Percentage
Strongly Disagree	92	0.295	29.49
Agree	164	0.526	52.56
Undecided	12	0.038	3.85
Disagree	28	0.090	8.97
Strongly Disagree	16	0.051	5.13
Total	312	100	100

Source: Field Survey, 2011

Table 4.7 also shows that 52% of the respondents agreed and also supported by 29.49% who strongly agreed that their experience of redundancy has seriously affected their performance as a result of the procedure and policies of the banks. Only 3.8% and 8.97

respectively disagree. This is an indication that and as earlier explained, majority of the workers may lose confidence in the bank and may lead to labour turnover.

Table 4.8 Respondents' opinion on the frequency of redundancy in their banks

Period	N0.	Proportion	Percentage
Monthly	12	0.039	3.90
Yearly	20	0.065	6.49
Quarterly	0	0	0
Not too often	276	0.896	89.61
Total	308	100	100

Source: Field Survey, 2011

The respondents believed that redundancy does not occur too often, expressed by 89.61% while 3% agree that it only happen monthly. This shows that the employees may have confidence in keeping their job for some period of time. However, as the redundancy exercise starts to increase, the employees will begin to lose confidence which may lead to fear and anger that will affect their output.

Table 4.9 Average staff loss during redundancy period

Option	N0.	Proportion	Percentage
1 – 5	120	0.423	42.25
6 – 10	40	0.141	14.08
11 – 20	12	0.042	4.23
20 +	112	0.394	39.44
Total	284	100	100

Source: Field Survey, 2011

Table above shows an average of 1 - 5 i.e. 42% staff losing their jobs followed by 39%, 4% i.e. 11-20 and 14% 6-10 employees respectively (table 4.10). The implication is that since few people were being laid off, it may not affect their performance but the fear of who may be next remains in them. This is in line with Armstrongtassen's (1993) view that post layoff environment can be stressful because survivours would be worried about their own job security.

Table 4.10 Respondents' opinion on the reasons for the termination of appointment

Option	N0.	Proportion	Percentage
Insubordination	0	0	0
Non-performance	84	0.273	27.27
Indiscipline	24	0.078	7.79
Economic condition	96	0.312	31.17
Services not required	104	0.338	33.77
Total	308	100	100

Source: Field Survey, 2011

The above table shows a response that reveal that 33.77% of the staff appointments were terminated due to their jobs not being required. This is followed by economic condition i.e. 31%. The response also shows that some were relieved because of non-performance. The implication is that some banks may face the problem of labour turnover, because some may begin to search for a job if the redundancy continues. Brockner (1988) postulates that the onset of stress typically leads to changes in survivour's work attitude and behaviour leading to reduced organizational commitment, job satisfaction and increased labour turnover intention.

Table 4.11. Respondents' opinions after colleagues were laid off

(i) Anger

Option	N0.	Proportion	Percentage
Very High	80	0.267	26.67
High	116	0.387	38.67
Indifferent	56	0.187	18.67
Low	32	0.107	10.67
Very Low	16	0.053	5.33
Total	308	100	100

Source: Field Survey, 2011

The table indicates that there is anger in the mind of the survivors with 38.67% experiencing high level of anger and 26.67% expressing very high level of anger. This can affect the psychology of the workers and obstruct their performance. This is supported by Greenhalg (1983), that there may be anger associated with the process by which redundancy program has been implemented and there may be concerns about the creation of heavier workload due to reduction of manpower. Also Fiona (1999) found that as the redundancy process progresses, survivors grow increasingly bitter and angry towards management and the way in which they and leavers were being treated.

Table 4.12 (ii) Respondents expression of worry

Options	N0.	Proportion	Percentage
Very High	76	0.253	25.33
High	128	0.427	42.67
Indifferent	56	0.187	18.67
Low	36	0.120	12.00
Very Low	4	0.013	1.33
Total	308	100	100

Source: Field Survey, 2011

Similarly, from table 4.2 most of the survivors 68 %,(42.67% very high, 25.33% high) were worried, 18.67% were indifferent, while 13.33 were not too worried. Worry can lead to loss of confidence on the management and affect survivours' performance. This is supported by Brockner, (1986) that the survivours were worried about their job security as a result of uncertainty. Also, they were worried about the way the leavers were treated. Previous studies suggest that because of the emotional feelings, survivors were feeling vulnerable by expressing worry about their future and feeling threatened by management.

Table 4.13 (iii) Respondents expression of Fear

Options	N0.	Proportion	Percentage
Very High	72	0.265	26.47
High	88	0.324	32.35
Indifferent	52	0.191	19.12
Low	36	0.132	13.24
Very Low	24	0.088	8.82
Total	272	100	100

Source: Field Survey, 2011

Table 4.13 above shows that 58.82% of the respondents felt fear, 19.12% were indifferent, whereas; 22.06% were not too frightened. The implication here is that fear can make the employees to be uncomfortable at the work which may affect their performance. However, some employees may put more effort to their job in order to maintain it. However, previous studies indicate that there was an indifferent perception among those remaining that it no longer mattered what one did because the same was going to happen to you sooner or later. People were preparing themselves for the worst to happen. Feelings of fear and anger were very strong among the survivours.

Table 4.14. (iv) Respondents expression of Anxiety

Option	N0.	Proportion	Percentage
Very High	72	0.257	25.71
High	84	0.300	30.00
Indifferent	48	0.171	17.14
Low	56	0.200	20.00
Very Low	20	0.071	7.14
Total	280	100	100

Source: Field Survey, 2011

Table 4.14 indicates that 55.71% felt very anxious, 20% shows low reaction to anxiety while 21% felt indifferent about their anxiety. The implication here is that the level of anxiety expressed by the respondents can affect their performance. This finding supports the findings of Brockner (1993) that the survivours were anxious as to whether or not they will be laid off in the future and felt relief and guilt about retaining their jobs while others were losing theirs. Previous study also suggests that anxiety is stimulated by the mere announcement that people in the Organisation are leaving, Astrachan (1995).

Table 4.15 (v) Respondents expression of Stress

Option	N0.	Proportion	Percentage
Very High	76	0.279	27.94
High	120	0.441	44.12
Indifferent	40	0.147	14.71
Low	12	0.044	4.41
Very Low	24	0.088	8.82
Total	272	100	100

Source: Field Survey, 2011

From table 4.15 above, 72.06% shows high level of stress by the workload from the laid off staff. Also, 14% of the respondents expressed low level stress while 14% again were indifferent. The implication here is that since majority of the respondents expressed high stress level as a result of redundancy. Consequently, this can affect the performance of the survivours because the output will be low as a result of work overload and additional responsibilities. Sutton & D'Aunno (1989) support these findings and suggest that stress can be a significant outcome of layoffs combined with feelings of threat and worry and that survivours can become frozen by stress and uncertainty. Also Brockner, 1988 argues that stress can lead to changes in survivours' work attitude and behaviour such as reduced organizational commitment, job satisfaction and increased turnover intention. Previous studies show stresses was high on the list of reactions to redundancy and it affects survivours home and family.

Table 4.16 (vi) Respondents expression of Hope

Option	N0.	Proportion	Percentage
Very High	32	0.121	12.12
High	68	0.258	25.76
Indifferent	72	0.273	27.27
Low	80	0.303	30.30
Very Low	12	0.045	4.55
Total	264	100	100

Source: Field Survey, 2011

Table 4.16 shows that 30% of the respondents expressessd low hope for their job. 25% indicates high hope,while 27 were indefferent in the decision 4.4 were very low in their expression. Here, the implication of the responses on hope idicates that they have lost hope in the job and may start looking for another job elsewhere and this can lead to labour turnover.

Table 4.17 (vii) Respondents expression of Sadness

Option	N0.	Proportion	Percentage
Very High	36	0.132	13.24
High	92	0.338	33.82
Indifferent	76	0.279	27.94
Low	44	0.162	16.18
Very Low	24	0.088	8.82
Total	272	100	100

Source: Field Survey, 2011

From the above table, 47.06% of the respondents felt sad because of the way the leavers were treated and 24% expressed low sadness level while 27% indicate indifference. The table indicates high level of sadness which can affect the morale of the employee.

Table 4.18 (viii) Respondents expression of Happiness

Option	**N0.**	**Proportion**	**Percentage**
Very High	8	0.029	2.94
High	44	0.162	16.18
Indifferent	88	0.324	32.35
Low	60	0.221	22.06
Very Low	72	0.265	26.47
Total	272	100	100

Source: Field Survey, 2011

The table above indicates that, 33% were indifferent about their happiness after the exercise, but when interviewed they expressed fear of allowing their unhappiness to be noted by management and to void being a victim.22% and 26% of the respondents indicate low and very level of happiness as a result of the way the leavers were treated. Very few expressed their happiness.

Table 4.19 (ix) Respondents expression of Confidence

Option	N0.	Proportion	Percentage
Very High	28	0.106	10.61
High	48	0.182	18.18
Indifferent	68	0.258	25.76
Low	88	0.333	33.33
Very Low	32	0.121	12.12
Total	264	100	100

Source: Field Survey, 2011

Table 4.19 reflect their confidence level with 46% respondents expressing low confidence 25.76% were indifferent while 18%indicates high level of confidence. This shows that majority of the employees have lost confidence in their job and may look elsewhere for alternative.

Table 4.2.0 (x) Respondents expression of Eagerness

Option	N0.	Proportion	Percentage
Very High	24	0.092	9.23
High	32	0.123	12.31
Indifferent	96	0.369	36.92
Low	84	0.323	32.31
Very Low	24	0.092	9.23
Total	260	100	100

Source: Field Survey, 2011

From the above table, 36.92% of the respondents were indifferent with respect to eagerness, 21.54% expressed high eagerness; 32% expressed low eagerness level while 8% is very low. This also may also be as a result of the procedure for the redundancy. Wherever the procedure for redundancy programme and its implication are faulty of tends to trigger suspicious and anger to the survivours in the post lay off environment. (Armstrongtenssen, 1983)

Table 4.2.1 (xi) Respondents expression of Pleasure

Option	N0.	Proportion	Percentage
Very High	4	0.015	1.49
High	20	0.075	7.46
Indifferent	80	0.299	29.85
Low	108	0.403	40.30
Very Low	56	0.209	20.90
Total	268	100	100

Source: Field Survey, 2011

The above table shows that 40.30% of the respondents believed their pleasure was low, supported by 20.90% whom settled for very low. While 29.85% were indifferent, only 8.95% believed their pleasure was high. The expression here shows that almost 50% of the respondents do not derive pleasure in the job they are doing which can lead to job dissatisfaction and reduced output. This is in line with the suggestion that post layoff

environment normally creates heavier workloads to the survivour's due to the reduction in manpower.

Table 4.2.2 (xii) Respondents expression of Relief

Option	N0.	Proportion	Percentage
Very High	4	0.015	1.54
High	8	0.031	3.08
Indifferent	92	0.354	35.38
Low	100	0.385	38.46
Very Low	56	0.215	21.54
Total	260	100	100

Source: Field Survey, 2011

From the above table, 60% of the respondents confirmed the reliefs to be low, 35.38% of the respondents were indifferent; thus only 4.62% had high relief after redundancy. This indicates that a high number of the respondents were convenient with their job. This is a result of fear of unknown by the employees. However, Brockner, (1986) agrees that survivours are normally anxious as to whether or not they would be laid off in the future. They also experience a combination of self-relief and guilt about retaining their job whilst others were losing theirs

Table 4.2.3 (xiii) Respondents expression of Tiredness

Responses	N0.	Proportion	Percentage
Very High	48	0.176	17.65
High	96	0.353	35.29
Indifferent	44	0.162	16.18
Low	44	0.162	16.18
Very Low	40	0.147	14.71
Total	272	100	100

Source, Field Survey, 2011

The table above indicates that 35.29% of the respondents expressed high tiredness, while 17.65% believed tiredness was very high. The implication here is that majority of the employee will have stress problem because of the work overload.

Table 4.24. (xiv) Respondents expression of Disappointment

Option	N0.	Proportion	Percentage
Very High	56	0.206	20.59
High	116	0.426	42.65
Indifferent	56	0.206	20.59
Low	32	0.118	11.76
Very Low	12	0.044	4.41
Total	272	100	100

Source: Field Survey, 2011

From the above the table, 63.24% of the respondents were disappointed with the redundancy exercise, although 20.59% were indifferent, 15% indicates low level of disappointment. The implication here is that for any disappointed staff there would be unhappiness and loss of confidence but from the observations some of the respondents are going on with their works. This shows that the workers still do their work since there no alternatives.

Table 4.25 (xvi) Respondents expression of Guilt

Option	N0.	Proportion	Percentage
Very High	20	0.074	7.35
High	36	0.132	13.24
Indifferent	80	0.294	29.41
Low	68	0.250	25.00
Very Low	68	0.250	25.00
Total	272	100	100

Source: Field Survey, 2011

The above table shows that 20.59% felt guilt after the layoff, 29.41% were indifferent; whereas, 50% believed their level of guilt is low while 13% indicates high level of guilt. However, the interview indicates that as their colleagues are leaving and they remain, there is high level of concern for the leavers. Previous studies reveal that there is a feeling of anger, anxiety and guilt. There is a palpable feeling of anxiety as to whether or not they would be laid off in the future and a feeling of relief and guilt about retaining their

job while others were losing theirs. Also the study shows that survivours reported feeling guilty about their co-workers and friend losing their jobs.

Q12. Respondents' opinion on the factors responsible for their reaction

Table 4.26 (i) On the grounds of Procedure

Option	N0.	Proportion	Percentage
Strongly Agree	92	0.343	34.33
Agree	100	0.373	37.31
Indifferent	32	0.119	11.94
Disagree	28	0.104	10.45
Strongly Disagree	16	0.060	5.97
Total	268	100	100

Source: Field Survey, 2011

The research investigated the factors responsible for their emotional and attitudinal reactions and found out that most of the respondents, 37.64% agrees that the procedure used during the layoff affected them emotionally. While 34% strongly disagree only 6% disagree and 11% were indifferent. The implication is that since majority of the respondents complain about the procedure, they may lose confidence in the management and a feeling of alienation among the workers. This is line with the assertion by Adeola, (2004) that redundancy may not necessarily create hardship to organization if it is properly done, but the inability of the organization to care for the remaining workers is

the course of the problem and that any deviance from the norms can make the survivors more vulnerable to future redundancy.

Amstrongstassen, (1993) suggests that there may be anger with the process by which the redundancy programme has been implemented and this can be interpreted that in a layoff situation employees often have little or no control over the outcome or procedure which in turn generates insecurity, reduced commitment and job satisfaction..

Table 4.27 (ii) On the grounds of Notification

Option	N0.	Proportion	Percentage
Strongly Agree	76	0.275	27.54
Agree	136	0.493	49.28
Indifferent	16	0.058	5.80
Disagree	28	0.101	10.14
Strongly Disagree	20	0.072	7.25
Total	276	100	100

Source: Field Survey, 2011

From the above table, majority of the respondents complained that there was no adequate notification by management during the layoff. This is confirmed by 76.82% of the respondents, 17% disagree, while very few were indifferent. This situation creates fear and suspicion among the workers which may undermine their performance. Fiona, (1999), asserts that announcement day, when individuals are told whether they are leaving or staying, was found to have a huge impact on survivours. The study suggests

that the information needs to be disseminated quickly, accurately and with sensitivity, and also that the amount of information available to survivours can influence their reactions. Brockner (1990) suggests that survivours should be given advance notification in order to react less negatively to the redundancy. Also previous studies show that where notification was given in advance, employees will prepare for it and accept in good faith.

Table 4.28 (iii) On the grounds of Aftermath Activities

Option	N0.	Proportion	Percentage
Strongly Agree	76	0.275	27.54
Agree	96	0.348	34.78
Indifferent	64	0.232	23.19
Disagree	12	0.043	4.35
Strongly Disagree	28	0.101	10.14
Total	276	100	100

Source: Field Survey 2011

From the above table, 23.19% of the respondents were indifferent in respect to the aftermath activities, 62.32% agreed that there were no adequate aftermath activities. This shows that there is no proper care for the leavers and it can create more fear and loss of confidence in the management. Studwick, (2002) argues that people need to be treated as if they are valued and handled in as humane way as possible. They never forget the way they are treated when they are redundant and neither do their friends and colleagues who remain behind. Fiona (1999) submits that survivours can suffer emotionally as much as

those who leave. They may suffer from increased stress, worry and uncertainty, each which has the potential to affect their performance. Brockner (1990), proposed that if the survivours perceived that the leavers were treated unfairly, then their reactions to redundancy are more likely to be negative. In the same vein Beis (1987), argues when survivours when find the leaver treated badly there is a pronounced negative reactions as the survivours perceived injustice would increase resentment to the management.

Q13. Perception and attitude of respondents with respect to their job after lay off (Redundancy)

Table 4.29 (i) Job securities

Option	N0.	Proportion	Percentage
Very Significant	68	0.246	24.64
Significant	100	0.362	36.23
Indifferent	36	0.130	13.04
Insignificant	52	0.188	18.84
Very Insignificant	20	0.072	7.25
Total	276	100	100

Source: Field Survey 2011

The study also assessed the perception of the respondents on the way they feel about their job after the redundancy period and 60.87% believed that job security is significant, 13.04% were indifferent, while 26.09% believed it is insignificant. Here, majority of the respondents feel insecure about their jobs and this can lead to loss of confidence and

alienation. Sutton & D'Aunno (1989) support this findings and argue that insecurity can be a significant outcome of layoffs combined with feeling of threat and worry and job insecurity can also been seen to be induced by layoffs. Ashford, lee & Bobko (1989) identified a gap in the previous researches and note the lack of a widely used comprehensive measure of job insecurity. They found that job insecurity leads to reduced commitment and also affect job satisfaction.

Fiona (1999) revealed that there was feelings fear, threat and insecurity and these feelings were magnified by the fear of the unknown.

Table 4.30: (ii) Commitment and loyalty to organization

Option	N0.	Proportion	Percentage
Very Significant	48	0.174	17.39
Significant	148	0.536	53.62
Indifferent	48	0.174	17.39
Insignificant	20	0.072	7.25
Very Insignificant	12	0.043	4.35
Total	276	100	100

Source: Field Survey 2011

From the above table, 71.01% feel their commitment and loyalty to organization is significant, 17.39% were indifferent, and whereas only 11.60% feel their commitment and loyalty is insignificant. The implication here is that the workers still show their commitment and loyalty to their jobs because they do not want to lose their jobs. This is

supported by the study of Brett and Stroh 1993 that survivours become more loyal to their own carrier than to the Organisation they work for. More so, this suggests that the internalization of loyalty may affect organizational commitment and the ability of the banks to retain key staff. Also, previous studies have shown that the onset of stress typically leads to changes in survivours' work attitude and behaviour leading to reduced organizational commitment.

Table 4.3.1 (iii) Performance

Option	N0.	Proportion	Percentage
Very Significant	72	0.243	24.32
Significant	140	0.473	47.30
Indifferent	60	0.203	20.27
Insignificant	16	0.054	5.41
Very Insignificant	8	0.027	2.70
Total	276	100	100

Source: Field Survey, 2011

From the table, 71.62% believed that the performance is significant, 20.27% were indifferent, while only 8.11% believed it is insignificant. This is as a result of competition in the labour market. The interview revealed that most of the workers put more effort to retain their jobs. Brockner et al (1986), argue that redundancy may affect work behaviour such as productivity and performance. However, the current research is of the views that performance and productivity may remain unchanged because individuals may

feel that deviance from the work rules may make them more targets for future redundancy; therefore, individuals put more even though the work load has increased. Previous studies show that an employee that lacks commitment, confidence, loyalty to the Organisation may lose interest in the job resulting in lead alienation, destruction and unproductivity.

Table 4.32 (iv) Punctuality

Option	N0.	Proportion	Percentage
Very Significant	60	0.224	22.39
Significant	108	0.403	40.30
Indifferent	80	0.299	29.85
Insignificant	16	0.060	5.97
Very Insignificant	4	0.015	1.49
Total	268	100	100

Source: Field Survey, 2011

The table shows that 62.69% feel their punctuality is significant, 29.85% were indifferent, and whereas only 7.46% feel their punctuality is insignificant. Noer, (1993) argue that survivours were resentful of being made to feel as if they are the lucky ones and should feel happy that they had a job. More so, their punctuality may increase in order to escape from being the next victims of redundancy. Accordingly, in line with Fiona (1999), submits that all of the respondents perceived they worked harder

irrespective of redundancy. Brockner (1992) opines that those who perceived they work hard were more likely to feel greater injustice.

Q14. Perceived changes in employees behaviour after redundancy

Table 4.33 (i) Morale

Option	N0.	Proportion	Percentage
Increased	44	0.149	14.86
Unchanged	92	0.311	31.08
Decreased	160	0.541	54.05
Total	296	100	100

Source: Field Survey, 2011

Furthermore, 54.05%, of the respondents believed their morale has decreased after the redundancy. 31.08% believed their morale is unchanged, while only 14.86% believed it has increased. This may be as a result of the procedure and aftercare of the redundancy. The implication is that a demoralized employee may lose his concentration on the job and this will affect his output. This supports the findings of QOWL that survivours have low morale, loyalty and motivation. Previous studies also revealed that, anger, worry, fear, and anxiety can reduce the morale and commitment of the survivours to the Organisation leading to alienation and high labour turnover.

Table 4.34 (ii) Motivation

Option	N0.	Proportion	Percentage
Increased	36	0.129	12.86
Unchanged	112	0.400	40.00
Decreased	132	0.471	47.14
Total	296	100	100

Source: Field Survey, 2011

Similarly, 47.14% of the respondents believed their motivation to work had decreased, 40.00% believed it is unchanged, while the remaining 12.86% believed it has increased. This can equally lead to poor performance from the employee. This view supports the work of Fiona (1999) that the effect of redundancy influences survivours' perception of morale, motivation, job security and motivation. It shows that those who experienced redundancy were more likely to have negative reactions than those who did not experience it.

Table 4.35 (iii) Loyalty

Option	N0.	Proportion	Percentage
Increased	52	0.183	18.31
Unchanged	120	0.423	42.25
Decreased	112	0.394	39.44
Total	284	100	100

Source: Field Survey, 2011

The table above shows that 42.25% of the respondents believed their loyalty is unchanged, 39.44% believed their loyalty to the organization has decreased; while only 18.31% believed that their loyalty has increased. The high level of loyalty indicated by the respondent is as a result of fear of losing their job. This was expressed in the oral interview with them. Previous studies also revealed that, anger, injustice, and lack of commitment can reduce the loyalty between the management and survivours.

Table 4.36 (iv) Punctuality

Option	N0.	Proportion	Percentage
Increased	84	0.296	29.58
Unchanged	156	0.549	54.93
Decreased	44	0.155	15.49
Total	284	100	100

The table 4.36 above indicates that 54.93% of the respondents believed their punctuality to work is unchanged, 29.58% believed it has increased; while the remaining 15.49% believed it has decreased. The unemployment situation in the country has made many employees to keep to their jobs because of the fear of unknown. This was also expressed in the interview with some of the respondents.

4.4 Test of Hypotheses

Test of Hypothesis One

The researcher used question ten to test for the hypothesis one due to the fact that the question tried to elicit the respondents' emotional change.

Table 4.4.1: Hypothesis One:

	Response					
Options	Very High	High	Indifferent	Low	Very Low	Total
ANGER	80	116	56	32	16	300
	(46.5)	(80.2)	(73.5)	(64.4)	(35.4)	
WORRY	76	128	56	36	4	300
	(46.5)	(80.2)	(73.5)	(64.4)	(35.4)	
FEAR	72	88	52	36	24	272
	(42.2)	(72.7)	(66.6)	(58.4)	(32.1)	
ANXIETY	72	84	48	56	20	280
	(43.4)	(74.8)	(68.6)	(60.1)	(33.1)	
STRESS	76	120	40	12	24	272
	(42.2)	(72.7)	(66.6)	(58.4)	(32.1)	
HOPE	32	68	72	80	12	264
	(41.0)	(70.6)	(64.6)	(56.7)	(31.2)	
SADNESS	36	92	76	44	24	272
	(42.2)	(72.7)	(66.6)	(58.4)	(32.1)	
HAPINESS	8	44	88	60	72	272
	(42.2)	(72.7)	(66.6)	(58.4)	(32.1)	
CONFIDENCE	28	48	68	88	32	264

	(41.0)	(70.6)	(64.6)	(56.7)	(31.2)	
EAGERNESS	24	32	96	84	24	260
	(40.3)	(69.5)	(63.7)	(55.8)	(30.7)	
PLEASURE	4	20	80	108	56	268
	(41.6)	(71.6)	(65.6)	(57.5)	(31.6)	
RELIEF	4	8	92	100	56	260
	(40.3)	(69.5)	(63.7)	(55.8)	(30.7)	
TIREDNESS	48	96	44	44	40	272
	(42.2)	(72.7)	(66.6)	(58.4)	(32.1)	
DISAPPOINTMENT	56	116	56	32	12	272
	(42.2)	(72.7)	(66.6)	(58.4)	(32.1)	
GUILT	20	36	80	68	68	272
	(42.2)	(72.7)	(66.6)	(58.4)	(32.1)	
Total	636	1096	1004	880	484	4100
Pearson's X^2 statistic	1005.89					
DF	56					
p	<0.0001					

H_{o1}= There is no significant impact of redundancy on the survivours reactions.

The test result using person chi-square technique tested at 0.95 confidence level revealed the p-value of less than 0.0001, thus, indicates a significant impact of redundancy on survivors reaction, hence the test result supports the alternate hypothesis formulated.

Test of Hypothesis Two:

The researcher used question fourteen to test for hypothesis two due to the fact that the question tried to elicit the respondents' attitudinal change due to redundancy.

Table 4.4.2: Test of Hypothesis Two:

	Responses			
Options	Increased	unchanged	decreased	Total
Morale	44	92	160	296
	(55.9)	(124.2)	(115.9)	
Motivation	36	112	132	280
	(52.9)	(117.5)	(109.7)	
Loyalty	52	120	112	284
	(53.6)	(119.2)	(111.2)	
Punctuality	84	156	44	284
	(53.6)	(119.2)	(111.2)	
Total	216	480	448	1144
Pearson's X^2 statistic	107.12			
DF	6			
p	<0.0001			

H_{o2}= There is no significant impact of redundancy on the survivours performance in the Nigerian banking industry.

The test result using pearson chi-square technique tested at 0.95 confidence level revealed the p-value of less than 0.0001, also, indicates a significant impact of redundancy on survivors performance, hence the test result supports the alternate hypothesis formulated.

4.5 Discussion of Findings

From the study, there are cases of anger against the management, worry and anxiety among survivours about their future in the Nigeria Banking Industry. The study also shows that survivours reactions to the redundancy are very pronounced and are clearly negative ranging from shock, disbelief and worry. This validates the Equity Theory propounded by Smith (1967) in which the survivours react negatively towards the Banks in an attempt to redress the inequity caused by the perceived mistreatment of the leavers. Among the most pronounced reactions in the banks was the feelings of worry, threat and insecurity and this was caused by the fear of unknown outside the organization. This is also in support of the research of Lea (2000).

More so, the selection criteria and decision making used in the redundancy process was also found to influence survivours reactions. Brockner and Greenberg (1990) suggest that the decisional basis for the redundancy has to be fair; otherwise survivours are likely to be uncertain about the legitimacy of the redundancies. The study also found that the redundancy notification cause many emotional and attitudinal changes, including shock,

disbelief and anger towards management. The response also shows that the survivours remain committed and loyal to their job as a result of the fear of losing the job.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The study attempts to find out whether changes in an organization that may lead to reduction of employee may significantly affect those remaining behind especially in the Nigerian banking sector.

Chapter one of the study attempts to give the background of the study and the problems associated with redundancy. Chapter two reviews the related literature and identifies various definitions of redundancy. The chapter also explains how to manage redundancy and some empirical studies were reviewed. Chapter three lists the method and source of data collection. Primary and secondary source of data were used including interviews.

Data were presented and analysed in chapter four. Person's Chi-square was used for the test of formulated hypotheses. The study involved the use of questionnaire aimed at testing the hypotheses. The key findings are that survivours were angry, fearful and devastated as a result of poor communication in notification and procedure.

Recommendations were made in this chapter to Nigerian banking sector and other sectors not to see redundancy as the only way of reducing cost and it should be properly managed.

5.2 Conclusions

In conclusion, from an organization perspective, management needs to consider the following: (i) as the result; have shown that survivours reactions are influenced by the perceived fairness of the decisions and the decision making process; this can be enhanced by process making the consultative. The selection criteria, the method of deciding who should leave or stay should be fair to the employees. The interview indicated that survivours' reactions were less negative if they felt that they have an equal chance to stay. (ii) the notification of redundancy was found to have a huge impact on survivours. In this case, information needs to be disseminated quickly, accurately and with sensitivity.

Lastly, the aftercare of the leavers is of considerable importance to the remaining employees i.e. survivours. That is how those made redundant were treated: here, the management should assist in the outplacement of leavers and with adequate compensation. These can reduce stress, worry and uncertainty, and thus affect performance.

From an individual perspective, the study suggests that survivours who perceive their co-workers to react negatively are more likely to react negatively themselves. This shows that survivours' perception of justice is influenced by those around them. Furthermore, the study shows that communication plays an important role in the fairness judgments made by survivours throughout the redundancy process. In summary, while

organizational change is inevitable, the study illustrates that organizations have to learn how to manage change effectively and prevent the downward spiral that can result from uncritical use of the instrument of redundancy.

5.3 Recommendations/Suggestions

The study has shown that communication plays an important role in the fairness judgments made by survivours throughout the redundancy process. It also shows that the interpersonal treatment of both the leavers and the survivours affects their reactions. The result also shows that there were a range of emotional, attitudinal, and behavioural reactions.

Based on these findings, the study recommends that there should be adequate information about the redundancy process to the employees and they should be involved in the procedure. There should be good aftercare treatment to the leavers in order to build confidence and trust between the management and the survivours.

For further research, there is need to investigate the external factors that may likely affect the reactions of the survivours.

More so, research needs to investigate how redundancy can be better managed, so that survivors are able to cope with their changing environment. Researchers may also wish to investigate the different types of organizational change and compare the use of redundancy and other methods of restructuring within this context. Similarly, the role of

the managers needs to be explored to identify how they can act as a buffer to negative emotional reactions and work related stress in a redundancy context. More so, further research needs to be conducted on how banks can handle these reactions like counseling or guidance to counteract the negative impact of survivor reactions of the future performance of organizations.

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QUESTIONNAIRE

1. Sex
   a) Male ( )
   b) Female ( )
2. Age
   a) 20-30 ( )
   b) 31-40 ( )
   c) 35-50 ( )
   d) 50- ( )
3. Educational Questionnaire
   a) OND ( )
   b) HND ( )
   c) BSC ( )
   d) PHD ( )
   e) OTHERS ( )
4. Marital status
   a) Married ( )
   b) Single ( )
   c) Widow
   d) Divorced ( )
5. Working experience
   a) 1-5 years ( )
   b) 6-10 ( )
   c) 11-15 ( )
   d) 16years and above ( )
6. Has redundancy (lay-off) taken place in your bank?
   a) Strongly agree ( )
   b) Agree ( )
   c) Undecided ( )
   d) Disagree ( )
   e) Strongly Disagree ( )
7. How often does redundancy take place in your bank?
   a) Monthly ( )
   b) Yearly ( )

c) Quarterly ( )
d) Not too often ( )

8. On the average how many staff loss their job as stated above?
a) 1-5 ( )
b) 6-10 ( )
c) 11-20 ( )
d) 20-above ( )

9. What are the reason(s) for the termination of appointment?
a) Insubordination ( )
b) Non-performance ( )
c) Economic conditions ( )
d) Service not required ( )

10. How do you respond to the following after some of your colleagues were laid off?
Please tick the appropriate response

Variables	Very high	High	Indifferent	Low	Very
Anger					
Worry					
Fear					
Anxiety					
Stress					
Hope					
Sadness					
Happiness					
Confidence					
Eagerness					

Pleasure					
Relief					
Tiredness					
Disappointment					
Guilt					

11. What are the factors responsible for the reactions?

	Strongly agree	Agree	Indifferent	Disagree	Strongly disagree
Lay-off procedure					
Lay notification					
Aftermath activities					

12. Perception of job security by the surviving staff after lay-off

Response	Very significant	Significant	Indifferent	Insignificant	Very sinificant
Job security					
Commitment and loyalty to organization					
Performance					
Punctuality					

13 How do you perceive changes in moral, motivation and loyalty of the

Variables	Increased	Unchanged	Decreased
Morales			
Motivation			
Loyalty			
Punctuality			

employee as a result of redundancy?

14 what do you consider to be the contributing factors to the problems of redundancy in your bank.

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15. What are the major suggestions you would wish to offer to assist the remaining staff to avoid future redundancy problems?