

Outsourcing Services and the Performance of Deposit Money Banks in Nigeria Ekoh, Livinus Akajife¹, Uzoma, Friday Christopher² and Okolie, Pascal Iloegbu Peter³

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ABSTRACT

This study examined Outsourcing Services and the Performance of Deposit Money Banks in Nigeria using structured questionnaires prepared and issued to 300 respondents from 6 Deposit Money Banks in Enugu Metropolis based on their knowledge of the subject matter and following Likert's Five Points Scale. Out of this number, 20 respondents, representing 7% did not return or returned unfilled and or uncompleted questionnaires. Theoretical analyses that contain some existing knowledge on outsourcing services and the performance of Deposit Money Banks were critically reviewed to compliment the study. Cluster Mean analysis was utilized to answer research questions, complimented by percentage and table ratings. Findings show that Deposit Money Banks outsource services to make profit; casual staffs do not ordinarily disclose their employment status to outsiders; contract staff take risks as their survival depended on the much they were paid as salaries; majority of the casual staff were not dedicated as they do not have job security. sizable numbers were not doing what they studied and as a consequence were not happy on the job, among others. Flowing from that the study concluded that it is doubtful if organizations that engage employees on casual basis actually save costs through the practice as safety of the institutions were not considered. This became imperative as reports show that about two-thirds of employees in some commercial banks in Nigeria were outsourced staff that perform as marketers, Tellers or Cashiers, cash mobilizers and security services, some of which were among the core services and were known to be the exclusive preserve of tested, trusted and dedicated permanent staffs of banks. The study recommended that management of Deposit Money Banks should identify those core activities of banks that should not be outsourced for the safety of the industry as doing otherwise will expose the sector to fraud or outright theft occasioned by the activities of the unregulated and compromised casual staff.

Keywords: Outsourcing services, Deposit Money Banks, Contract. Nigeria.

INTRODUCTION

Financial services business world over are increasingly employing un - regulated third parties to carry out activities which they themselves would normally have undertaken, citing reduction and controlling of costs to make profit as their reasons [1,2,3]. Although some scholars have argued to the contrary stressing that the shift from standard to non - standard work arrangement is as a result of employers' penchant for profit maximization and to avoid the mandates and costs associated with labor laws which were designed to protect permanent employees in standard employment [4].

Outsourcing has the potential of transferring management, risks, and compliance to third parties who may not be regulated and may operate offshore [5, 6]. Under such situation, the question one may ask is how would such financial service businesses remain confident that they remain in charge of their own business and in control of their business risks? Again, how would they know that transferees are complying with transferor's regulatory responsibilities and demonstrate they are doing so when asked by regulators? Unarguably, outsourcing has gained ground as firms claim to focus on their

core activities, save costs (implicit and explicit), improve on service delivery, increase productivity, make profit and achieve strategic growth [7,8]. Outsourcing, contract servicing, casualization, temporary work or what other names they are known and called are said to be an underemployment. Casualization of workforce has always existed for particular jobs, hence not a new development but has taken a dangerous dimension since 1986 and beyond. This was as Babangida administration under pressure from International Monetary Fund (IMF) and World Bank lunched the Structural Adjustment Program (SAP) [9,10]. SAP fundamentally changed the structure of banking in the country and increased competition as whether or not banks should survive or fail was now to be determined by the forces of demand and supply [11]. An integral part of this program was the deregulation of the economy and liberalization of banking licensing, giving rise to the proliferation of banks and other finance institutions and the result was the increase in the number of licensed banks in Nigeria from 40 to 120 [12]. Deregulation created both risks and opportunities and brought about increased competition among financial institutions. The regulators thereafter shifted their focus on the protection of depositors hence the birth of Nigeria Deposit Insurance Corporation (NDIC). For banks to survive and remain in business, different strategies were deployed one of such was the adoption of casualization policy to reduce costs. Evidently, labor laws in many countries were designed originally to protect the rights of permanent employees. [13], argues that such rights and standards were sometimes seen as sacrificial lambs on the altar of competitive edge by companies due to the perception that they constitute costs which if not eliminated to the barest minimum will impact negatively on their ability to compete favorably in the global market and improve on their balance sheets to the joy of shareholders [14]. Banking industry plays a major intermediary role by mobilizing savings from the surplus units and channeling such to the deficit units of the economy

particularly the private enterprises for the purpose of expanding their productive capacities. Banks greatest source of income was credit extension to make profit, meet demands of shareholders, retain public confidence and grow [15]. To achieve all these, banks most times gave out loans and advances which were regarded as “naked” as such loans were extended without the usual credible investigation or assessment of the degree of materiality of such advances to the survival of such banks [16]. To compound matter was that such core duty was sometimes relegated or entrusted in the hands of unregulated casual staff who exercise such duty without diligence, resulting in non - performing and unrecoverable loans that may threaten the soundness of the payment system and by extension the economy [17]. The purpose of this study, therefore, is to examine the effect of outsourcing on the performance of Deposit Money Banks in Nigeria with emphasis on Enugu State. To achieve the purpose of this study, ten research questions were formulated as follows:

1. To what extent do you agree that banks outsource services to cut cost and make profit?
2. Do you agree that contract staffs in your establishment accept it for want of better jobs?
3. Do Bank contract staffs enjoy disclosing their employment status to outsiders?
4. Do you agree that contract staff take some un - necessary risks just to survive as they are no job security?
5. To what extent do you agree that outsource workers are dedicated because they enjoy welfare packages and allowances etc?
6. Do you agree that most of the casual workers do not practice what they read in school?
7. Do you agree that casual workers are not happy as they were denied the opportunity to be unionized?
8. From your own observation, do you think banks actually cannot make profit except they outsource their services?

9. How far do you agree that high casualization could breed indiscipline and rise in fraud in banks?
10. Do you agree that Marketing, Tellers and ATMs are among the services that banks should not have outsourced?

Consequent upon the above, this work is arranged in the following order: Section two reviews related literature while section three present data and method of analysis. Sections four and five discuss the results and conclusions/recommendations respectively.

Review of related Literature

[8] posits that core activities of a firm should remain in house. [11], argues that most contracts by their nature are incomplete as the parties cannot possibly foresee all possible future contingencies and have perfect solutions to them. [16] posits that a firm's strategic resources are those valuable, rare, non - substitutable and manageable assets which enables firms to perform optimally. [14] in [15] argue that the increasing use of contractors, both for the supply of components and for services reflect an acceptance that the firm should concentrate on its core activities. However, [5] argues that such firms that specialize in such tasks can more efficiently perform non - value - adding activities. [8] argues that while outsourcing to affiliated entities may be appropriate, it is better to adopt them with some modification to account for the potential for differing degrees of risks. The work of [6] shows that security services, cleaning and recruitment were among the outsourced activities by banks in the past five years. [5] has it that non - performing loan ratio in the first quarter, 2021 is 6% against 5% threshold. This may not be un - connected to the penchant for deposit money banks to outsource their core and strategic services to unregulated labor force. It was to cut cost and be in business that banks outsource some of their assigned, regulated duties to a third party without weighing the gains and losses that may accrue from such informed interaction. Worse still, these casual staffs that man those sensitive and strategic positions may not belong to any professional association(s) or unions that might guide their conducts and sanction erring members. Labour rights and standards are sometimes seen as sacrificial lambs on the altar of competitive edge by companies due to the perception that they

constitute "costs" which if eliminated to the barest minimum, will impact positively on the ability of companies to compete favourably in the global market and consequent improvement of their balance sheets, to the joy of shareholders [10]. [12], argues that while outsourcing to affiliated entities may be appropriate, it is better to adopt them with some modification to account for the potential for differing degrees of risks. [13] posits that outsourcing activities were driven by cost reduction and market penetration as it has own risks and costs. Added to that was the shortage of infrastructure, government policy inconsistency and enabling environment to operate as a business [4]. These and others gave birth to huge overhead costs to business. Such staff gave what Komolafe in Financial Vanguard referred to as "naked loan", without credible investigation, assessment of the customer, appraisal of the tangible security and provision of collateral (Financial Vanguard, June, 10, 2019). [8], argues as follows: that shortage of infrastructure, government policy inconsistency and enabling environment to operate as a business contribute to poor performance of firms in Nigeria; that remuneration for contract staff is not fair or comparable to that of permanent workers; that contract workers are denied the right to organize and benefit from collective agreements and that they are mostly not protected from exploitation by their workers. [10] argues that casualization has a strong relationship with employees' commitment in Nigerian banks. [11], say that banking sector in Nigeria has benefited enormously from outsourcing particularly in cost reduction, increased sales turn over and profitability, enhanced expertise, improved service quality, reduction in staff strength and maintaining core competencies. [14] argues

that casual work is not in all cases bad as most people think as it has some benefits in some cases, is a matter of choice, also

the benefits constitute the price of progress.

Theories of Outsourcing

A number of theories and approaches have been employed to explain outsourcing phenomenon. Some of them are the Incomplete Contract Theory, Resource

Based View, Core Competences Theory, Agency Theory, Transaction Cost Economics Theory, Social Exchange theory and Relational View Theory [15].

Incomplete Contract Theory

This theory, propounded by Grossman, S. J. and Hart, O. D. (1986), and titled "The Costs and Benefits of Ownership: A Theory of Vertical and Lateral Integration" in supporting the activities of outsourcing posits that most contracts by their nature are incomplete as the parties cannot

possibly for see all possible future contingencies and have perfect solutions to them. As a result, the current contract becomes void as both parties may voluntarily decide to re - negotiate the contract in future.

Resource Based View

Resource based view by Barney, J. B. in 1996 argues that resourcing is a strategic decision made by a firm to fill gaps in the firms resources and capabilities. A firm's strategic resources are those valuable, rare, non - substitutable and manageable assets which enables firm's optimal performance. These resources could be material (Machines, equipment), non - material (Technological knowledge) and human and

vary from firm to firm. Some firms lack these valuable resources and have to depend on other firms for supply if they are to survive. Hence, Resource Based View sees limited resources as the basis of outsourcing among firms. Firms that lack valuable resources should seek for an external provider in order to overcome the weakness.

Core Competences Theory

The concept of Core Competency which is a theory of strategy that prescribes action to be taken by firms to remain and achieve competitive advantage in the market place states that the firms must play to their strengths or those areas or functions which they have core competencies. A firm must be seen to have those defining features or capabilities that distinguished it from significant others. Argument in favour of

core competence is that core activities of a firm should remain in house. It could be in areas such as Human resources, physical assets, patents, brands equity and capital. Where firms lack in -house competence, they could seek for such competences from vendor outside. Vendors' competences have been found to influence success of an outsourcing arrangement [8].

Relational View Theory

This theory explains how firms gain and sustain competitive advantage within inter-organizational relationships [7]. Its major focus is cooperation, interaction and social economic exchanges. In this context, the outsourcers would most likely contract

work to vendors they have optimum cooperation and understanding of the work process. It also has significant impact in the supply chain management and supplier - buyer relationship.

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Agency Theory

This theory which was propounded by Jensen, M. C. and Meckling, W. H. in 1976 sees a firm as a nexus of contracts between principals, stakeholders and agents. This context therefore aims at providing an understanding between outsourcer or principal and Vendor or Agent. The basic assumption of the Agency Theory is the existence of asymmetric information and different perceptions of risks and

uncertainty between principal and agent. The idea is that, the principal transfers decision rights to the agent and make sure that the agent behaves as expected given the principal's set incentives. This theory observes that when uncertainty and risk is seen to be low, a client or agent prefers to sign a fixed - fee contract but when it is otherwise, they prefer to sign time and material contract.

Transaction Cost Theory

Transaction cost theory as propounded by [8] and orchestrated by [11] is central in the field of strategy. It holds the view that economizing on transaction costs is mainly responsible for the choice of one form of capitalist organization over another [10]. In economics and related disciplines, a transaction cost is a cost incurred in making an economic exchange. Transaction

Cost therefore is the cost of providing for some goods and services through the market rather than having it provided from the firm (implicitly). Such costs include costs incurred during the search for suppliers/partners/customers; cost sustained in order to have a valid contract and costs of monitoring and enforcing the implementation of contracts.

Social Exchange Theory

Social Exchange Theory by Blau, Peter in 1964 implies a voluntary action of individuals that are motivated by the return they are expected to bring and do bring from others. This theory was also prominent in the works of [13]. Within the context of outsourcing, the theory posits

that the exchange of resources (material or social) is a basic form of human interaction. The actors weigh the gains and losses that may accrue from such informed interaction. Hence, the more beneficial and cost effective a firm get in contracting of its work to an agent, the more the

likelihood of social exchanges and engagements between the outsourcer and

the agent.

Relational View Theory

This theory explains how firms gain and sustain competitive advantage within inter-organizational relationships [10]. Its major focus is cooperation, interaction and social economic exchanges. In this context, the outsourcers would mostly likely contract

work to vendors they have optimum cooperation and understanding of the work process. It also has significant impact in the supply chain management and supplier - buyer relationship.

Methodology

The data to be used in this study will be collected using structured questionnaires to elicit responses from a total of 300 conveniently selected respondents from 6 Deposit Money Banks in Enugu Metropolis following Likert's five Point Scale. The choice of those to be interviewed was based on their knowledge of the subject matter. The banks comprise United Bank of Africa, Zenith bank, Fidelity bank, Access

bank, First bank and Union bank. It will be based on 50 questionnaires distributed to each of these institutions and responses there from. Out of this number, a total of 280 questionnaires were completely filled and returned. The filled questionnaires returned by the interviewees would form the bases for the analysis which would represent the outcome of the research work.

Sample and Sampling Techniques

A sample of 300 personnel of these Deposit Money Banks that comprise males and females, management and staff, among

whom would be contract staff as represented in the Cluster Mean Table below will be utilized for the study.

Instrument for data collection

The Structured questionnaires would be prepared following the Likert's Five points Scale. Research assistant/ personnel will be used to fast track the distribution and collection of the questionnaires. There shall be specifications for:

SA = Strongly Agree
A = Agree
SD= Strongly Disagree
N = Neutral
D= Disagree

Method and Techniques for Data Analysis

The collected data will be accurately grouped. Arranged, analyzed and presented with reasonable conclusion drawn as the outcome of the research

work. Cluster Mean analysis will be used to answer the research questions. This will also be complimented by percentage and table rating.

Data Analysis and Findings

This section is based on the questionnaires distributed earlier on. Two hundred and eighty out of a total of three hundred questionnaires distributed were duly collected, arranged and collated and based on their responses, Cluster Mean analysis was used to answer the research questions.

Acut off is to be determined by finding the mean of the nominal values assigned to the options in each questionnaire items using a formular.

Where:

Mean (X) = $\frac{\text{Score}}{\text{Number of the items}}$
 $X = \frac{5+4+3+2+1}{5}$
 $X = 3$

Decision Rule:

If Mean (X) of the cluster is greater than the standard cluster (X), accept otherwise reject.

The responses were ranked as follows:

SA=5 points
A= 4 points
N =3 points
SD= 2 points
D= 1 point

Table 1: Cluster Mean Analysis

S/N		SA	A	N	D	SD	MEAN CLUSTER	A/R
	Psychological/Economic Factors according to Nwachukwu(1988), could impact on the performance of staff at work							
1.	To what extent do you agree that banks outsource services to cut cost and make profit							
2.	Do you agree that contract staffs in your establishment accepted it for want of better job							
3.	Do you agree that casual staffs enjoy disclosing their employment status to outsiders							
4.	To what extent do you agree that contract staff take some unnecessary risks to survive as they have no job security							
5.	To what extent do you agree that outsource workers are dedicated because they enjoy welfare packages and allowances							
6.	Do you agree that most of the casual workers do not practice what they read in school							
7.	Do you agree that contract staff were happy doing their work							
8.	From your observation, do you agree that banks can perform well without outsourcing.							
9.	How far do you agree that high casualization could breed indiscipline and rise in fraud in banks							
10.	Do you agree that Marketing, Teller and ATM are among the services that banks should not outsource							
	Source: Researcher' compilation 2020							

Table 2: Cluster Mean Analysis

S/N		SA	A	N	D	SD	MEAN CLUSTER	A/R
	Psychological/Economic Factors according to Nwachukwu(1988), could impact on the performance of staff at work							
1.	To what extent do you agree that banks outsource services to cut cost and make profit	400	240	30	160	50	3.1	A
2.	Do you agree that contract staffs in your establishment accepted it for want of better job	300	320	-	200	40	3.1	A
3.	Do you agree that casual staffs enjoy disclosing their employment status to outsiders	250	240	60	200	10	2.8	R
4.	To what extent do you agree that contract staff take some unnecessary risks to survive as they are no job security	500	400	-	80	40	3.6	A
5.	To what extent do you agree that outsource workers are dedicated because they enjoy welfare packages and allowances	250	320	-	160	70	2.9	R
6.	Do you agree that most of the casual workers do not practice what they read in school	450	400	-	140	20	3.9	A
7.	Do you agree that contract staff were happy doing their work	160	140		300	63	2.1	R
8.	From your observation, do you agree that banks can perform well without outsourcing.	140	160	-	160	132	2.1	R
9.	How far do you agree that high casualization could breed indiscipline and rise in fraud in banks	500	720	-	-	-	4.4	A
10.	Do you agree that Marketing, Teller and ATM are among the services that banks should not outsource	400	360	90	80	40	3.5	A
	Source: Researcher's compilation 2020							

Breakdown of Required Responses

Number of questionnaires distributed	300
Number of questionnaires returned/usefully filled	280
Error Margin (default)	20 (7%)
% of returned/useful and analyzed questionnaire	93%

Table 3: Socio -Demographic Characteristic of Respondents for Questionnaires Administration

Variables	Categories	Frequency	%
Sex	Male	120	43
	Female	160	57
Total		280	100
Marital Status	Single	180	64
	Married	100	36
	Total	280	100
Educational Qualification	Graduate/Above	160	57
	Under graduate	120	43
	Total	280	100
Types of Employment	Permanent Employment	90	32
	Contract Staff	190	68
	Total	280	100
Length of service	One year and below	60	21
	Two years to five years	80	29
	Six years to ten years	120	47
	Eleven years and above	20	07
	Total	280	100
Source: Researcher' compilation 2020.			

Analysis of socio - demographic variable shows that the distribution of respondents by sex revealed that 120 (43%) of the respondents were male while 160, (57%) were female. Of this number, 180(64%) were single while 100 (36%) were married. Out of this number, 160 (57%) are graduate and above as 120 (43%) were undergraduate. Of this number also, 90

(32%) were of permanent employment while 190 (68%) employment were of casual in nature. From the reply, it was revealed that 60 respondents (21%) have stayed for one year and above, 80 (29%) have stayed up to two years to five years, 120 (47%) have been employed for six years and up to ten years while 20 (07%) respondents have stayed between eleven years and above.

Description	Number	Percentage
Number of questionnaires distributed	300	100
Number of questionnaires returned and usefully filled	280	93
Number not returned or returned but wrongly filled	20	07

Research Question 1

To what extent do you agree that banks outsource services to cut cost and make profit. The response to question 1 has 80 respondents strongly agree, 60 agree, 80 disagree, 50 strongly disagree while 10 were neutral. These represent 29%, 21%, 3%, 29%, and 18% respectively. We therefore accept that banks reason for

outsourcing their services is to save costs and make profit. This is in agreement with [9] which posits that banks cut costs so as to make profit and grow and [11] which posits that casualization is an instrument for cost reduction for organizations to stay afloat in the face of competition in an unstable environment.

Research Question 2

Do you agree that contract staffs in your establishment accept it for want of better jobs? The responses to question 2 from the questionnaires directly address the question as 60, representing 21%strongly agree, 100, representing 36% merely agree, 80, representing 29% stronglydisagree and 40, representing 14% strongly disagree. We therefore accept that contract staffs in establishments accept it for want of better

jobs. This was in agreement with the findings by [6] in [7] which posits that casual staff are ready and willing to accept any job not minding how degrading it is. The finding is also in agreement with the work of [8] which posits that casual staffs see work as a means to an end as their behaviour to work is tied to salary and not involvement.

Research Question 3

Do Bank contract staffs enjoy disclosing their employment status to outsiders? From the respondents to question3, 50, representing 18%, strongly agree, 60, representing 21% agree, 100 representing

36% disagree, 10 respondents representing 3% strongly disagree while 20, representing 7% remain neutral. We thereby do not accept that contract staffs enjoy disclosing their employment status to outsiders.

Research Question 4

Do you agree that contract staff take some un - necessary risks just to surviveas they are no job security? From this question, 100 respondents representing 36% strongly agree, 80 respondents representing 29% agree, 40 respondents representing 14% disagree while another 40 respondents representing 14% strongly disagree. We

accept that contract staffs take unnecessary risks to survive. This position is in tandem with the position of [13] which posits that management of banks should weigh the costs and benefits of the outsourcing decisions and should regularly review and update its outsourcing decisions.

Research Question 5

To what extent do you agree that outsource workers are dedicated because they enjoy welfare packages and allowances etc. From the responses to question 5, 50 representing 18% strongly agree, 80 representing 29% agree, another 80 representing 29% disagree while 70 respondents representing 25% strongly

disagree. We accept that outsource workers are not dedicated because they do not enjoy welfare packages and allowances as permanent staffs do. This agrees with [8] which posits that regularity of casual staffat work place does not imply high level of performance or loyalty to the organization.

Research Question 6

Do you agree that most of the casual workers do not practice what they read in school? The responses to this question have 90 representing 32% say strongly agree, 100 representing 36% agree, 70 respondents representing 25% disagree while 20% representing 7% strongly disagree. We do not reject that casual

workers mostly do not practice what they read in school. This also agrees with [5] which states that casualization of labor is against the campaign of full employment and should be seriously checked and if necessary be expunged.

Research Question 7

Do you agree that casual workers are not happy as they were denied the opportunity to be unionized? The responses to this question have 200 representing 71% strongly agree while 80 representing 29% agree. We do not reject that casual workers were not happy as they were denied the opportunity to be unionized. This also

agrees with the work of [8] which argues that industries' reward system and policy should include the introduction of group incentives to foster team work; and immediate conversion to permanent staff after the ILO standard of ninety days of probation.

Research Question 8

From your own observation, do you think banks actually cannot make profit except they outsource their services? The responses to this question has 140 representing 28 respondents strongly agree, 160 representing 40 respondents agree, another 160 representing 80 respondents strongly disagree, 132 representing 132 respondents merely disagree. We do not accept that banks cannot make profit

except they outsource their services. This was in consonance with the position of [12] which posits that it is doubtful if organizations that engage employees on casual basis actually save through the practice as evidenced by the number of Nigerian banks that could not come out of their financial quagmire despite massive casualization of employees leading to consolidation exercise of 2004.

Research Question 9

How far do you agree that high casualization could breed indiscipline and rise in fraud in banks. To this question, 100 respondents representing (36%) strongly agree while 180 respondents, representing (64%) agree. From their responses, we accept that high casualization could breed indiscipline and rise in fraud and fraudulent activities in

banks. We do not reject that high casualization could breed indiscipline and rise in fraud in banks. This is in agreement to the findings of [6] which posits that the rise in fraud perpetrated in banks in Nigeria could be connected to the rampant cases of casualization of staff by the financial institutions.

Research Question 10

Do you agree that Marketing, Tellers and ATMs are among the services that banks should not have outsourced? To this question, 80 respondents representing 28.6% strongly agree, 90 respondents representing 32.1% agree, 30 respondents representing 10.7% were neutral, 40 respondents representing 14.3% strongly

disagree while another 40 respondents representing 14.3% disagree. From their responses, we accept that these aforementioned services ought not be outsourced to casual workers for safety of the banks. This agrees with the work of [5] that averse that casualization could lead to a rise in fraudulent activities in banks.

Summary of Findings, Conclusion and Recommendations Summary

This study examined the effect Outsourcing Services has on the Performance of Deposit Money Banks in Nigeria using structured questionnaires prepared and issued to 300 respondents

from 6 Deposit Money Banks in Enugu Metropolis, following Likert's Five Points Scale. In the pursuit of the above, the work was divided into five sections. Section one presented the background. Section two

contains the review of related literature. Section three has research methodology. Section four contains data analysis and interpretation while section five has summary and conclusion. Ten research

questions were answered and Cluster Mean analysis and percentage ratings were utilized for the research questions. At the end, the following findings were made.

Findings, Conclusion and Recommendations

Findings

From the above, the following findings were discernible:

1. Deposit Money Banks outsource services to save costs and increase profit.
2. Outsource workers accepted to serve as a means to an end not minding how degrading the work may be.
3. Casual staffs do not ordinarily disclose their employment status to outsiders.
4. Contract staffs take risks as their survival depend on the much they were paid as salaries.
5. Majority of the casual workers were not dedicated as they do not have job security.
6. Sizable numbers of casual staffs were not doing what they studied and as a consequence were not happy on the job.
7. Casual workers were not happy as they were denied the opportunity to be unionized.
8. Banks can make profit without outsourcing their services.
9. High casualization could breed indiscipline and rise in fraud in banks.
10. Marketing, Tellers, ATM services ought not be out sourced to casual workers for safety of the banks.

CONCLUSION

Borrowing from Fagbohunge in Kalejaiye, it is doubtful if organizations that engage employees on casual basis actually save costs through the practice in view of the fact that some Nigerian banks could not come out of their financial quagmire despite casualization. This may not be unconnected to the fact that organizations including banks resort to unethical business practices which violate some fundamental labour laws that hurt workers' interest. Credible statistical reports show that about two - thirds of employees in some commercial banks in Nigeria were

outsourced staff that perform the functions of Marketing, Tellers or Cashiers, Cash mobilization, Security etc, some of which were among the core services banks were known for and should be the exclusive preserve of the tested, trusted and dedicated permanent staffs that enjoy job security and have reputation and names to protect. No doubt this study is in agreement with reports that financial institutions were awash with incidences of poor performance by Deposit Money Banks ostensibly due to fraudulent activities by the unregulated casual workforce.

RECOMMENDATIONS

It therefore recommended that Management of Deposit Money Banks must identify those core activities of banks that should not be outsourced for the safety of the industry as doing otherwise will expose

the sector to distress occasioned by fraudulent activities and outright theft by the unregulated and compromised casual staff.

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