

EMPLOYMENT CASUALIZATION IN NIGERIAN BANKS AND ITS IMPLICATION ON HUMAN RESOURCE MANAGEMENT PRACTICES

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ABSTRACT

The research investigated the phenomenon of Employment Casualization in Nigerian Banks and analysed its impact on Human Resource Management. This research was centred on and had a particular interest in the banking business. The aim of this study is to investigate the causes of casual employment, propose solutions to eliminate the casualization of workers in Nigeria, identify the effects of casualization on Human Resource Management, and analyse the attendance outcomes of casualization on workers and organisations. The article used secondary data for their investigation. Casualization in Nigeria is a consequence of various factors, including globalisation, capital mobility, labour market deregulation, trade liberalisation, technological change, outsourcing, unemployment, poverty, a growing population of young people and school leavers, and the profit-driven behaviour of banks, industries, and all sectors of the nation. The study identified several consequences of casualization on human resources management, including deskilling, insufficient compensation, which have negatively impacted employee morale, commitment, and overall productivity. Other effects include high employee turnover, reduced trade unionism, increased hiring costs for employers, and a lack of employee engagement. The research found a correlation between the casualization of work and poor income, job instability, lack of engagement, and lack of employee commitment. The casualization of employment also promotes a significant amount of fraud among these workers, since they lack any vested interest or job security to safeguard. The research suggests that the Minister, Senator Chris Ngige's statement at the one-day public hearing on three labour laws, declaring that "it is now necessary to put an end to all forms of casualization in every sector of the Nigerian economy," should be put into action.

KEYWORDS: Casualisation, Employees, Human Resource Management practices, Nigerian Banks.

INTRODUCTION

Workers in Nigeria's banking and government sectors are often hired on an as-needed basis. There has been some focus on the frequency with which financial organisations and universities hire temporary labour in an effort to maximise profits while decreasing expenses. Financial institutions have begun to use contract workers instead of full-time employees in an effort to reduce operational costs (Bukola, 2019). Concerning its pervasiveness, this issue has jeopardised human resource management strategies throughout businesses.

Companies' human resource management procedures have taken a hit due to the widespread perception that temporary workers are treated poorly.

Even though they work for the same company on a regular basis, many casual workers are denied the same privileges and treated worse than permanent employees, even though they perform the same job.

Casual workers are increasingly filling permanent positions. A survey found that out of an estimated 101,861 people working in the banking industry, 43,955 people, or 43.2%, are classified as "casual workers" or employed under contract (Bamidele, 2019). To further control costs, avoid

risk, and provide employees more flexibility, more banks are opting for contract staffing rather than full employment (Bamidele, 2019; Bukola, 2019).

The rights and benefits enjoyed by workers in non-standard employment are significantly lower than those enjoyed by people in regular permanent employment. Summary dismissal, irregular scheduling, unfair treatment, low pay, no paid leave, no involvement in most statutory activities, job insecurity, and a lack of belonging due to a lack of participation in trade union activities are all more common among casual workers. These problems might not seem like they matter right now, but when workers stay in temporary positions for a while, the effects might become even more pronounced. The morale, dedication, engagement, and overall output of the affected personnel are impacted by this.

THE TREND OF CASUALIZATION IN NIGERIAN

Workers in casualized jobs have less options than those in more permanent positions when it comes to making decisions about their work lives (Bamidele, 2017). According to Premium Times (2021), casualization of workers is a growing concern in many government institutions in Nigeria. This includes the Central Bank of Nigeria (CBN), the Nigerian National Petroleum Corporation (NNPC), the National Assembly (NASS), the Nasarawa State House of Assembly (NSHA), Lafia, the Kogi State House of Assembly (KSHA), Lokoja, the Benue State House of Assembly (BSHA), Makurdi, and others.

Employers in Nigeria are taking advantage of the high unemployment rate to hire people on an as-needed basis, thus the federal government and the Senate have taken aggressive measures to put a stop to this practice. Worrying about the casualization of employment in Nigeria, the Minister of Labour and Productivity during the Buhari government accused the banking industry, the oil and gas sectors, and the communication sector of being the main culprits in this matter. Senate Committee on Labour and Employment held a one-day public hearing on three labour bills on Tuesday, October 26, 2021, with Senator Chris Ngige, the Minister of Labour and Employment, chairing the session. This was on a national level. A number of legislation are pending in the Nigerian legislature, including an amendment to the National Directorate of Employment Act of 2004, an establishment bill to prohibit casualization in the country, and an amendment to the Labour Act of 2004 (CAP I1, LFN 2004) (SB, 469). The Minister, who was really representing the federal government, has been very vocal about how the casualization of labour is an extremely unstable problem that contradicts global standards for worker safety. Abolition of casualization in all areas of the Nigerian economy must be prioritised, the Minister said in his concluding remarks. Workers should not be enslaved or treated poorly, but private entrepreneurs and other labour employers must earn profits to maintain their company afloat, in his view (Agbakwura, 2021).

Similarly, Rasak (2017) investigated "casual employment and the globalised market: A case of selected countries." His focus was on the inextricable link between the country's use of labour and the prevalence of casualization in the workforce. Neoliberalism (a theory of non-interventionism in economics and politics) and Social Action (Weberian social action) were the theoretical foundations of the research. The current situation of the Nigerian economy is widely characterised by a high unemployment rate, according to the findings. Society will undoubtedly struggle to rein in casualization so long as this tendency is allowed to continue unchecked. Despite the devastating economic slump that has forced many corporations and businesses to close their doors, the casualization of employment may have given many organisations a chance to stay afloat. All things considered, casualization is a negative force that serves no one well. In addition to the fact that this group of employees is subject to a great deal of unpredictability, it is undeniable that casualization exposes a savage process of work development reminiscent of slave labour.

Human resource management strategies and practices in the context of casualization were the focus of this research. In particular, the research aimed to:

1. To dissect the root causes of casual employment.
2. To suggest ways to put a stop to the casualization of workers in Nigeria.
3. To determine how Human Resource Management methods may be affected by casual employment
4. To investigate the effects of casualization on both employees and employers in terms of attendance

METHODOLOGY

Reports, news articles, textbooks, journals, magazines, newspapers, bulletins, international agencies, and the internet were among the many sources of secondary data used in the research.

Significance of the study

Legislators and the government will greatly benefit from this study because it will provide them with information that will help them establish minimum standards for hiring workers, enforce current laws against casualization, and implement programmes, policies, and laws that are relevant to the labour market in order to discourage casualization and adapt labour regulation to the modern era..

THE CONCEPT OF CASUALISATION OF WORK

The authors of the article are Zakari et al (2018). The author opines that in the US and Europe, the term "Non-Standard Work Arrangements" (NSWAs) is used to describe casualization, which encompasses fixed contract work, on-call labour, part-time employment, and temporary engagements.

There has been a disturbing increase in the casualization of the workforce in Nigeria. Due to increasing rates of poverty and unemployment, workers are becoming less careful about the kinds of jobs they choose, leading to a rise in the casualization of labour. When businesses need to temporarily ramp up production to meet surges in product demand, they often turn to temporary workers, sometimes known as "casual labour," to complement their permanent staff. In the context of employment, "casualization" is a lack of standardisation and a focus on short-term contracts, seasonal labour, and other forms of outsourcing and subcontracting. As stated by Bayo in 2019. The lack of protections and advantages within the framework of law that governs employment is intrinsic to the idea of informal employment. The business hires some temporary workers directly, while others are brought in via subcontractors and outsourcing.

According to Rao (2016), this source is often used by businesses to fill lower-level positions since there are eligible applicants available. He said that the high rate of unemployment was to blame for the hiring of casual workers.

This jibes with what Anugwon found in 2007 (quoted in Alonge, 2019): that the high unemployment and poverty rates in Nigeria make temporary workers vulnerable, therefore they end up filling jobs that should be permanent. Workers are in such a rush to take every job offer they get since the work environment has become so complicated as a result of globalisation and the economic catastrophe.

Workers whose contracts of employment, whether explicit or implicit, are not expected to last for an extended period of time are considered to be in the category of "casual workers" according to the International Labour Organisation (2007 in Bayo, 2019).

The casualization of workers is a growing problem that has been a source of worry for government authorities and labour organisations across the globe, including in Nigeria (Zakari et al., 2023).

THE REASONS FOR CASUALISATION

Capital mobility and labour market deregulation

Most of the main causes for job casualization include things like increased capital mobility, deregulation of the labour market, product market volatility, cost-cutting inclinations, and reduction of permanent worker employment, among other things. As stated by Bayo in 2019.

Trade Liberalization

Many product markets have become quite unstable since trade liberalisation opened the door for rival imports into the economy. Casual workers have recently become more common as a consequence of companies' efforts to save costs by downsizing, reducing the number of permanent employees, and other cost-cutting measures. Per Bayo (2019).

Constant trade liberalisation, according to Okafor (2007, quoted in Bayo, 2019), has unavoidably resulted in the expansion of the informal sector, the introduction of new technologies, and a surplus of available workers. A linked perspective from the International Labour Organisation (ILO) holds that a more adaptable workforce and the casualization of employment resulted from government-led economic deregulation and liberalisation and private-sector initiatives to reduce production costs and increase globally competitive advantage.

Globalisation

Because of globalisation and information technology, the world has shrunk to the size of a global village, where competition for jobs is fierce among people from all over the globe. As a result, people have fewer job options to choose from. The source is Alonge (2019). Deregulation of product and labour markets brought about by globalisation encouraged outsourcing, which is now seen as a key factor in the rise of casualization.

Outsourcing

This is a game-changing development in outsourcing that has made it more simpler to decrease prices and eliminate competition. Employers often anticipate a decrease in the requirement for permanent personnel when they outsource labour or manufacturing components (Bamidele, 2017). A common strategy is to reduce the number of permanent workers and increase the number of temporary workers. A growing trend in the workforce is the replacement of permanent full-time wage and salary earners with various forms of nonregular workers through subcontracting or putting out systems. This is done to lower the fixed cost of workers, as non-regular forms of employment do not offer non-wage benefits and are not covered by standard labour legislation. as referenced in the works of Ifeanyichukwu and Wordu (2021) by the International Labour Organisation (ILO), SEAPAT 2016.

Increasing teeming population of the youths

These low-wage positions are an unfortunate reality for many young people and recent graduates who are struggling to make ends meet due to the chronic shortage of better employment opportunities. In addition, the majority of young people and adults without employment are fighting poverty and inequality by working as temporary workers (Zakari, et al., 2023).

Implication of Casualisation On Human Resource Management Practices in organizations

Inadequate treatment in terms of service conditions may befall an organization's most precious assets due to casualization.

1. **Deskilling:** This is a way of doing away with skilled workers and replacing them with less-skilled workers. It involves using technology that these less-skilled workers can use. Rao (2016) states that...

Of course, the job security of permanent workers has been jeopardised by the trend of casualization, which has reduced employment to routine tasks that no longer need competent personnel to do them.

2. Compensation: Employees who have worked for the company on a contract basis for many years may be worried about their future there. Even if the company decides to extend their contract, they have no idea whether their compensation will stay the same or go up. This will always have a detrimental effect on employee morale, which in turn lowers production.

3. Employee engagement: Organisations should strive to engage and build a two-way interaction between themselves and their casual workers. Casual workers, on the other hand, do not have this level of commitment. In light of the many obstacles that contemporary organisations encounter, this is crucial for improving their performance (Maccy et al., 2009, as quoted in Egwuonwu, 2015).

4. Dedication from Employees: The temporary worker struggled tirelessly to make their job more permanent, but their dream seemed to have been fruitless. Worse still, organisations sometimes threaten to fire all of their casual workers at the first available chance. Workers are less likely to give their all to their work and the company when they feel their jobs are in jeopardy.

5. Employee Turnover: Temporary workers are usually eager to find better possibilities elsewhere, therefore they will jump at the chance for improved working circumstances. When opportunities like this are few, people have no choice but to stay around, regardless of how miserable the working circumstances are (Alonge, 2019). Because of this, they are always searching for better offers, and as soon as they obtain one, they quit, leaving the company short-handed. There will be instability in the organisation when casual workers leave, regardless matter how transitory it is.

6. Insecurity: Concerns about job security have impacted the dedication of both permanent and temporary workers as a result of the casualization of labour. Despite the employees' persistent attempts to generate great profits for the businesses, they are nonetheless treated as casuals and exposed to dehumanising working circumstances; this is because workers are often hired at the gate and fired at whim every day (Bamidele, 2017). Because termination might happen at any moment for even the smallest infraction, most casual workers live in constant terror. Because casual workers may step in at any moment and do the permanent workers' jobs for less money, the permanent workers are in danger of losing their jobs.

7. Trade Unionism: Casual workers are stopped from joining or participating in unionism by the management of their organisation and outsourcing companies to avoid in force opposition from individuals affected. A basic psychological need has been violated. They will feel less valued and appreciated at work, which will lead to lower productivity as a result of this trend.

8. Collective bargaining: Employees use this tactic to improve working conditions for their members by negotiating with their union representatives. There will be no union organising efforts involving the casual workers. Workers on an as-needed basis are unable to bargain with their employers for improved working conditions. Their capacity to meet their social requirements has also been impacted by this trend, which has a negative impact on employee motivation and output.

9. Employer's exposure to hiring costs: The high expense of recruiting, interviewing, and employing is another consequence of casualization that employers will have to deal with (Zaritar, 2023).

CONCLUSION

Concerning human resource management techniques and the erosion of workers' rights and benefits, there has been a disturbing uptick in the casualization of workers in the Nigerian banking industry. All areas of the economy, all types of businesses, and all types of jobs are now seeing a significant increase in the casualization of work. Despite the fact that the majority of occupations are temporary, it is unacceptable and should be ended when companies continue to employ

people in a degrading manner, thus enslaving them, for as long as fifteen years. Workers' morale takes a hit when casualization is prevalent, leading to lower production. This trend clearly isn't good for anyone: employees, businesses, or the country as a whole. Low pay, job instability, disengagement, and a lack of employee commitment are all symptoms of a casualized workforce. Since they do not have a job or anything to lose, casual workers are more likely to commit fraud as a result of casualization.

RECOMMENDATIONS

1. Making sure that the current law on casualization enforces the minimum standards set by the government for hiring workers, and making sure that relevant labour laws, programmes, and policies work together to discourage casualization and continuously improve labour regulation to adapt to modernization.
2. Workers need a level of stability in their work environment; hence, employers of temporary workers should regard them with human decency, provide them with workplace protections, and enable them to work with respect.
3. In order to put a stop to the predicament of casual employees, strong trade unions are crucial in representing their interests and investigating innovative approaches that might provide the desired outcome.
4. The research suggests that the federal and state political and economic authorities of Nigeria should do more to help the thousands of young people who are unemployed but have the necessary skills to find respectable jobs.
5. It is only fair that casual workers have the right to form unions so that they may advocate for improved working conditions, meet their social needs, and ultimately boost their productivity on the job.

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